

Board of Directors Meeting Agenda

Date: May 21, 2026

Time: 6:00 p.m.

Location: SMUD Headquarters Building, Auditorium
6201 S Street, Sacramento, California

AGENDA

SACRAMENTO MUNICIPAL UTILITY DISTRICT BOARD OF DIRECTORS MEETING SMUD HEADQUARTERS BUILDING AUDITORIUM – 6201 S STREET SACRAMENTO, CALIFORNIA

May 21, 2026 – 6:00 p.m.

Virtual Viewing or Attendance:

Live video streams (view-only) and indexed archives of meetings are available at:

<https://www.smud.org/Corporate/About-us/Company-Information/Board-Meetings/Watch-or-Listen-online>

Zoom Webinar Link: [Join SMUD Board of Directors Meeting Here](#)

Webinar/Meeting ID: 165 640 0249

Passcode: 261765

Phone Dial-in Number: 1-669-254-5252 or 1-833-568-8864 (Toll Free)

Verbal Public Comment:

Members of the public may provide verbal public comment by:

- Completing a sign-up form at the table outside of the meeting room and giving it to SMUD Security.
- Using the “Raise Hand” feature in Zoom (or pressing *9 while dialed into the telephone/toll-free number) during the meeting at the time public comment is called. Microphones will be enabled for virtual or telephonic attendees when the commenter’s name is announced.

Written Public Comment:

Members of the public may provide written public comment on a specific agenda item or on items not on the agenda (general public comment) by submitting comments via email to PublicComment@smud.org or by mailing or bringing physical copies to the meeting. Email is not monitored during the meeting. Comments will not be read into the record but will be provided to the Board and placed into the record of the meeting if received within two hours after the meeting ends.

Call to Order.

a. Roll Call.

1. Approval of the Agenda.

2. Committee Chair Reports.

- a. Committee Chair report of May 12, 2026, Strategic Development Committee
- b. Committee Chair report of May 13, 2026, Policy Committee
- c. Committee Chair report of May 19, 2026, Finance & Audit Committee

Item 6 was reviewed by the April 7, 2026, Policy Committee. Items 7, 8, and 11 were reviewed by the May 13, 2026, Policy Committee. Items 9 and 10 were reviewed by the May 19, 2026, Finance and Audit Committee.

Comments from the public are welcome when these agenda items are called.

Consent Calendar:

3. Approve Board member compensation for service rendered at the request of the Board (pursuant to Resolution No. 25-04-02) for the period of April 16, 2026, through May 15, 2026.
4. Approval of the minutes of the special meeting of April 7, 2026.
5. Approval of the minutes of the regular meeting of April 16, 2026.
6. Approve revisions to **Strategic Direction SD-6, Safety Leadership**. Policy Committee 4/7. (**Frankie McDermott**)
7. Accept the monitoring report for **Strategic Direction SD-8, Employee Relations**. Policy Committee 5/13. (**Jose Bodipo-Memba**)
8. Accept the monitoring report for **Strategic Direction SD-12, Ethics**. Policy Committee 5/13. (**Jose Bodipo-Memba**)
9. Approve SMUD's amended **2026 Pay Schedule** and **Other Pay Compensation Policy**. Finance and Audit Committee 5/19. (**Jose Bodipo-Memba**)
10. Adopt resolution calling election for Directors for Wards 3, 4, 6, and 7 and request Sacramento County to consolidate that election with the November 3, 2026, general election. Finance and Audit Committee 5/19. (**Laura Lewis**)

* * * * *

Discussion Calendar:

11. Approve proposed revisions to the **Meeting Procedures of the SMUD Board of Directors**. Policy Committee 5/13. (**Laura Lewis**)

Presenter: Joe Schofield

* * * * *

Public Comment:

12. Items not on the agenda.

Board and CEO Reports:

- 13. Directors' Reports.
- 14. President's Report.
- 15. CEO's Report.
 - a. Board Video

Summary of Board Direction

* * * * *

Board Committee Meetings and Special Meetings of the Board of Directors are held at the SMUD Headquarters Building, 6201 S Street, Sacramento

May 19, 2026	Finance and Audit Committee and Special SMUD Board of Directors Meeting	Auditorium*	6:00 p.m.
June 9, 2026	Strategic Development Committee and Special SMUD Board of Directors Meeting	Auditorium	6:00 p.m.
June 10, 2026	Policy Committee and Special SMUD Board of Directors Meeting	Auditorium	6:00 p.m.
June 16, 2026	Finance and Audit Committee and Special SMUD Board of Directors Meeting	Auditorium	6:00 p.m.
June 17, 2026	Energy Resources & Customer Services Committee and Special SMUD Board of Directors Meeting	Auditorium	6:00 p.m.

* * * * *

Regular Meetings of the Board of Directors are held at the SMUD Headquarters Building, 6201 S Street, Sacramento

June 18, 2026

Auditorium*

6:00 p.m.

**The Auditorium is located in the lobby of the SMUD Headquarters Building, 6201 S Street, Sacramento, California.*

Members of the public shall have up to three (3) minutes to provide public comment on items on the agenda or items not on the agenda, but within the jurisdiction of SMUD. The total time allotted to any individual speaker shall not exceed nine (9) minutes.

Members of the public wishing to inspect public documents related to agenda items may click on the Information Packet link for this meeting on the smud.org website or may call 1-916-732-6155 to arrange for inspection of the documents at the SMUD Headquarters Building, 6201 S Street, Sacramento, California.

ADA Accessibility Procedures: Upon request, SMUD will generally provide appropriate aids and services leading to effective communication for qualified persons with disabilities so that they can participate equally in this meeting. If you need a reasonable auxiliary aid or service for effective communication to participate, please email Nicole.Looney@smud.org, or contact by phone at 1-916-732-6055, no later than 48 hours before this meeting.

RESOLUTION NO. _____

**BE IT RESOLVED BY THE BOARD OF DIRECTORS
OF THE SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

That this Board hereby approves Board member compensation for service rendered at the request of the Board (pursuant to Resolution No. 25-04-02) for the period of April 16, 2026, through May 15, 2026.

Sacramento, California

April 7, 2026

The Board of Directors of the Sacramento Municipal Utility District met in special session concurrently with the Board Policy Committee and simultaneously in the Auditorium of the SMUD Headquarters Building at 6201 S Street, Sacramento, and via virtual meeting (online) at 7:15 p.m.

Roll Call:

Presiding: Rosanna Herber,
Chair of the Policy Committee

Present: Directors Rose, Bui-Thompson, Fishman,
Kerth, Sanborn and President Tamayo

Present also were Paul Lau, Chief Executive Officer and General Manager; Laura Lewis, Chief Legal & Government Affairs Officer and General Counsel and Secretary, and members of SMUD's executive management; and SMUD employees and visitors.

Committee Chair Herber turned to Discussion Calendar Item 1, to approve the SMUD disclosure in the Transmission Agency of Northern California (TANC) Preliminary Official Statement and for the TANC 2026 Refunding Bonds and authorize the Chief Executive Officer and General Manager to determine that the information in the Preliminary Official Statement is final.

Jennifer Restivo, Director of Treasury and Revenue Strategy, gave a presentation on Discussion Calendar Item 1. A copy of the slides used in her presentation is attached to these minutes.

No public comment was received for Discussion Calendar Item 1.

After some discussion, Director Sanborn moved for approval of Discussion Calendar Item 1, Vice President Kerth seconded, and Resolution No. 26-04-01 was unanimously approved.

RESOLUTION NO. 26-04-01
OF
THE BOARD OF DIRECTORS OF
SACRAMENTO MUNICIPAL UTILITY DISTRICT
APPROVING VARIOUS DOCUMENTS IN CONNECTION WITH THE
TRANSMISSION AGENCY OF NORTHERN CALIFORNIA 2026 REFUNDING
BONDS

BE IT RESOLVED by the Board of Directors of the Sacramento Municipal Utility District ("SMUD"), as follows:

Section 1. Preliminary Official Statement; Official Statement. The information relating to SMUD, its finances and operations ("Disclosure") to be included in the Preliminary Official Statement (the "Preliminary Official Statement") of the Transmission Agency of Northern California (TANC) relating to the issuance of its 2026 Refunding Bonds (the "Bonds") in substantially the form submitted to this meeting is hereby approved, ratified and confirmed. Each of the Chief Executive Officer and General Manager, any Member of the Executive Committee, the Treasurer, the Secretary or the Chief Financial Officer or the designee of any such officer (each an "Authorized Representative"), acting alone, is hereby authorized to determine that such information in the Disclosure to be included in the Preliminary Official Statement is deemed final for purposes of Rule 15c2-12 of the Securities and Exchange Commission (Rule "15c2-12"), except for the omission of certain information permitted to be omitted by Rule 15c2-12. Any Authorized Representative, acting alone, is hereby authorized to execute one or more certificates relating to such information as contained in the Disclosure and in the Preliminary Official Statement and the final Official Statement, in substantially the form such information is presented to this meeting, with such changes therein as the Authorized Representative executing the same shall approve after consultation with SMUD's counsel (such approval to be conclusively evidenced by the Authorized Representative's execution of such certificate).

Approved: April 7, 2026

INTRODUCED: DIRECTOR SANBORN				
SECONDED: DIRECTOR KERTH				
DIRECTOR	AYE	NO	ABSTAIN	ABSENT
TAMAYO	X			
ROSE	X			
BUI-THOMPSON	X			
FISHMAN	X			
HERBER	X			
KERTH	X			
SANBORN	X			

**Attachment A
to Resolution No. 26-04-01**

**INFORMATION REGARDING
SACRAMENTO MUNICIPAL UTILITY DISTRICT**

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SACRAMENTO MUNICIPAL UTILITY DISTRICT
Sacramento, California

BOARD OF DIRECTORS

Dave Tamayo, President
Rob Kerth, Vice President
Brandon Rose
Nancy Bui-Thompson
Gregg Fishman
Rosanna Herber
Heidi Sanborn

OFFICERS AND EXECUTIVES¹

Paul Lau, Chief Executive Officer and General Manager
Frankie McDermott, Chief Operating Officer
Scott Martin, Chief Financial Officer
Brandy Bolden, Chief Customer Officer
Suresh Kotha, Chief Information Officer
Jose Bodipo-Memba, Chief Diversity Officer
Laura Lewis, Chief Legal and Government Affairs Officer and General Counsel
Lora Anguay, Chief Zero Carbon Officer
Farres Everly, Chief Marketing and Communications Officer
Jennifer Restivo, Treasurer
George Vaughn, [Interim] Controller

¹ Paul Lau has announced his intent to retire in the summer of 2026. See “INTRODUCTION – Independent Governance” in this Appendix A for more information.

INTRODUCTION

General

The Sacramento Municipal Utility District (“SMUD”) owns and operates an electric system that has provided retail electric service since 1946. SMUD’s current service area is approximately 900 square miles and includes the principal parts of Sacramento County and small portions of Placer and Yolo counties. See “THE SERVICE AREA AND ELECTRIC SYSTEM – The Service Area.”

Independent Governance

SMUD is an independently run community-owned organization. SMUD is not required by law to transfer any portion of its collections from customers to any local government.

SMUD is governed by a Board of Directors (the “Board”), which consists of seven directors elected by ward for staggered four-year terms. The Board determines policy and appoints the Chief Executive Officer and General Manager, who is responsible for SMUD’s overall management and day-to-day operations. The Chief Executive Officer and General Manager is responsible for the hiring and removal of all employees, other than the Chief Legal and Government Affairs Officer and General Counsel, the Internal Auditor and the Special Assistant to the Board, who are hired and may be removed only by the Board. The employment status of nearly all SMUD employees is governed by a civil service system administered by the Chief Executive Officer and General Manager.

The Board elects its President and Vice President annually to take office in January. The current members of the Board are as follows:

Name	Occupation	Ward	Term Expires
Brandon Rose.....	Air Pollution Specialist, California Environmental Protection Agency	Ward 1	December 31, 2028
Nancy Bui-Thompson.....	Chief Information Officer, WellSpace Health	Ward 2	December 31, 2028
Gregg Fishman	Sr. Community Relations Officer, Sacramento Regional Transit District	Ward 3	December 31, 2026
Rosanna Herber	Retired Community Engagement Manager	Ward 4	December 31, 2026
Rob Kerth, Vice President.....	Business Owner	Ward 5	December 31, 2028
Dave Tamayo, President.....	Retired Environmental Specialist	Ward 6	December 31, 2026
Heidi Sanborn	Executive Director, National Stewardship Action Council	Ward 7	December 31, 2026

SMUD’s senior management consists of the following executives:

Chief Executive Officer and General Manager (“CEO & GM”). Paul Lau reports to the SMUD Board of Directors. As CEO & GM, he leads the sixth largest community-owned electric utility in the nation, serving approximately 1.6 million residents and managing a \$2.3 billion budget. Paul serves on several national and local boards, including as Board Chair of the Smart Electric Power Alliance, Commissioner of the Balancing Authority of Northern California (“BANC”), and a Board member of the Large Public Power Council, American Public Power Association, California Municipal Utilities Association, Business Council for Sustainable Energy, Electric Power Research Institute, Cal EPIC, the

Greater Sacramento Economic Council and Valley Vision. Paul has announced his intention to retire in the summer of 2026 and a nationwide search for his replacement is underway.

Chief Financial Officer (“CFO”). Scott Martin is responsible for setting financial and organization-wide strategies at SMUD and ensuring strong financial health and credit ratings. He has leadership oversight of corporate accounting, treasury operations, risk management, budgeting and planning, organizational strategy, pricing, load forecasting, and prioritization. In addition, Scott is responsible for looking holistically at all strategies across the company and driving alignment between spending, pricing, zero carbon investments, and business unit’s needs.

Chief Customer Officer. Brandy Bolden provides leadership and direction for delivering exceptional customer experiences, frictionless zero carbon adoption and complete customer support. She is responsible for customer care and revenue management, business intelligence, strategic account management, customer experience and segmentation strategy, channel management, special assistance initiatives, commercial development, business attraction and retention and oversees Community Energy Services, which supports community choice aggregators.

Chief Diversity Officer. Jose Bodipo-Memba is responsible for company-wide programs and services such as people services and strategies, workforce development, diversity, equity, inclusion and belonging, regional workforce development, regional economic development, enterprise change, organizational effectiveness, facilities, security and emergency preparedness and SMUD’s Sustainable Communities programs. A key focus of the Chief Diversity Officer is advocating for an inclusive culture based on trust and respect, creating a sense of belonging and connection among employees and ensuring equity in both internal and external programs and services.

Chief Information Officer. Suresh Kotha is responsible for delivering state-of-the-art technology solutions to our community and employees that are secure, reliable and right-sized, enabling SMUD’s 2030 Clean Energy Vision. He oversees information technology functions including artificial intelligence, automation and customer self-service technologies, the customer and grid technology center, cybersecurity, enterprise systems, strategy & governance, and infrastructure platform services.

Chief Legal and Government Affairs Officer and General Counsel. Laura Lewis reports to the Board and to the CEO & GM and oversees SMUD’s legal office, government affairs, reliability compliance, procurement, fleet, warehouse and energy trading functions. Laura is responsible for management and coordination of all legislative and regulatory matters affecting SMUD at the federal, state, and local level, including compliance with the Federal Energy Regulatory Commission (“FERC”) and North American Electric Reliability Corporation electric reliability standards. She also serves as the secretary to SMUD’s elected board of directors.

Chief Marketing and Communications Officer. Farres Everly is responsible for all aspects of SMUD’s marketing, market research, corporate communications, website, graphic design and printing, video services, social media, community engagement and outreach, crisis communications and public affairs activities.

Chief Operating Officer. Frankie McDermott provides strategic leadership and tactical oversight of the safe and reliable transmission and delivery of energy to customers, ensuring efficient planning, construction, operation and maintenance of transmission and distribution facilities. He also leads the teams responsible for environmental, safety and real estate, specialized enterprise initiatives, operational excellence, operations project management and the Sacramento Power Academy.

Chief Zero Carbon Officer. Lora Anguay is responsible for leadership oversight of SMUD’s energy supply which includes SMUD’s Integrated Resource Strategy, the planning, design, construction and maintenance of power generation assets, and energy transaction settlements. This role is also responsible for the delivery of SMUD’s plan to provide 100% carbon free energy resources by 2030. This includes obtaining new grants and partnerships, overseeing research and development, designing distributed energy resource programs, enabling processes to settle distributed energy transactions with SMUD’s customers and transitioning SMUD’s power portfolio to zero carbon resources.

Director of Treasury & Revenue Strategy and Treasurer. Jennifer Restivo reports to the CFO and is responsible for all treasury operations, including debt and investment portfolio management, banking, financial planning and forecasting, property and casualty insurance, as well as developing and implementing capital borrowing strategies. She also serves as treasurer for the Northern California Energy Authority (“NCEA”), the Northern California Gas Authority No. 1 (“NCGA”), the Transmission Agency of Northern California (“TANC”), and BANC.

Interim Director of Accounting and Controller. George Vaughn reports to the CFO and is responsible for all accounting operations including accounts payable, cash management, and payroll, in addition to general accounting functions and financial reporting. He also serves as controller for TANC, NCEA, NCGA, and BANC.

THE SERVICE AREA AND ELECTRIC SYSTEM

The Service Area

SMUD is the primary distributor of electric power within an area of approximately 900 square miles in central California. The service area includes the State Capital, Sacramento, the populous areas principally to the northeast and south of the City of Sacramento (the “City” or “Sacramento”) and the agricultural areas to the north and south. The City is located 85 miles northeast of San Francisco.

SMUD’s electric system supplies power to a population of approximately 1.6 million with a total annual retail load of approximately 10,510 million kilowatt-hours (“kWh”) for the year ended December 31, 2025. As the capital of the nation’s most populous state, Sacramento benefits from the historically stabilizing influence of a large government sector. Sacramento is home to the State government headquarters, the Sacramento County seat, the City government and various special districts that combine to make government the largest single employment sector in the Sacramento area. Information technology, transportation, education and health services, leisure and hospitality, and construction round out the other major sectors of employment and industry in the area.

SMUD’s annual peak load has averaged 3,001 Megawatts (“MW”) over the last three years, with SMUD’s record peak load of 3,299 MW occurring on July 24, 2006. In 2022, SMUD recorded its second highest peak load of 3,263 MW. SMUD reviews its load forecast, at a minimum, on an annual basis.

The Electric System

SMUD owns and operates an integrated electric system that includes generation, transmission and distribution facilities.

SMUD supplies power to its bulk power substations through a 230 kilovolt (“kV”) and 115 kV transmission system. This system transmits power from SMUD’s generation plants and interconnects with Pacific Gas & Electric (“PG&E”) and the Western Area Power Administration (“WAPA”). Power is distributed throughout Sacramento County via a 69 kV sub-transmission system with the exception of the

City's downtown area, which is served from the 115 kV transmission system. The downtown area is served from 115/12 kV and 115/21 kV substations. The distribution system serving the remainder of SMUD's service territory is comprised of 69/12 kV substations with overhead and underground 12 kV distribution circuits.

BUSINESS STRATEGY

General

SMUD's Board of Directors has established the following purpose and vision statements: "SMUD's purpose is to enhance the quality of life for our customers and community by providing reliable and affordable electricity, and leading the transition to a clean energy future." "SMUD's vision is to be a trusted and powerful partner in achieving an inclusive, zero carbon economy. SMUD will leverage its relationships to accelerate innovation, ensure energy affordability and reliability, protect the environment, eliminate greenhouse gas emissions, catalyze economic and workforce development, promote environmental justice, and enhance community vitality for all." The Board has adopted a set of Strategic Directions with related metrics, which it considers essential for the success of SMUD and for serving SMUD's customers. These include competitive rates, access to credit markets, reliability, customer relations, safety leadership, environmental leadership, employee relations, resource planning, innovation, public power business model, ethics, information management and security and enterprise risk management. Some of the general elements in SMUD's business strategy are:

- Developing and maintaining a sustainable and reliable power supply to meet demand growth consistent with State mandates and the Board's directions for renewable energy and the reduction of carbon emissions to zero by 2030. See "BUSINESS STRATEGY – Sustainable Power Supply and Transmission – 2030 Zero Carbon Plan";
- Working closely with customers to provide the information, tools and incentives to assist them to more efficiently manage energy use, which will contribute to meeting greenhouse gas ("GHG") emission targets and managing needle peak demand requirements (those 40 or so hours of the year with extreme temperatures when customer demand surges by up to 400 additional MW);
- Managing price, volumetric and credit risks associated with energy and natural gas procurement;
- Attracting, developing and retaining a diverse, skilled and engaged workforce that reflects SMUD's values and is committed to achieving SMUD's mission;
- Retaining local decision making authority and operational independence; and
- Collaborating regionally to attract new businesses and grow existing business to diversify and strengthen the Sacramento economy.

SMUD's long-range business strategy focuses in part on ensuring financial stability by establishing rates that provide an acceptable fixed charge coverage ratio on a consolidated basis, taking into consideration the impact of capital expenditures and other factors on cash flow. SMUD's Board policy sets a minimum fixed charge coverage ratio of 1.50 times for annual budgets, though SMUD generally plans to meet a minimum fixed charge coverage ratio of 1.70 times. Over the past ten years, the actual fixed charge coverage ratio has averaged 2.38 times on a consolidated basis. SMUD also manages its liquidity position by planning for a minimum of 150 days cash on hand and planning to maintain at least \$150 million of available capacity under its commercial paper and line of credit program. SMUD's commercial paper and line of credit program is currently authorized for \$550 million aggregate principal amount outstanding at any one time. As of March 31, 2026, no commercial paper notes were outstanding, no principal amount was outstanding under SMUD's lines of credit, and SMUD had \$550 million of the authorized aggregate

principal amount of its commercial paper and line of credit program available for use. SMUD uses cash on hand and commercial paper and its lines of credit to fund capital expenditures, then issues debt to reimburse itself for cash expended for qualified capital expenditures and/or to pay down the outstanding principal amount of its commercial paper program and lines of credit. Over the past ten years, the days cash on hand at year end has averaged 213. The resolutions securing SMUD's Senior Bonds and Subordinated Bonds (each as defined under the caption "CAPITAL REQUIREMENTS AND OUTSTANDING INDEBTEDNESS" below) do not require SMUD to maintain a minimum fixed charge coverage ratio, minimum days cash on hand or minimum available capacity under its commercial paper program and lines of credit.

In addition, SMUD's business strategy focuses on serving its customers in a progressive, forward-looking manner, addressing current regulatory and legislative issues and potential competitive forces.

Serving SMUD's Customers

SMUD continually looks for ways to better serve and partner with its customers to further strengthen customer loyalty, while providing competitive and fair pricing for SMUD's electric services. SMUD also has a focused effort to assist and incentivize customers to manage energy use more efficiently, which will contribute to meeting GHG emission targets and managing peak demand requirements as noted below.

Digital Enhancements. Customers are increasingly turning to digital channels including SMUD's mobile application, SMUD.org, e-mail and social media to interact and do business with SMUD. SMUD has delivered many digital enhancements, including bill pay functionality; online payment arrangements; start/stop/transfer move service; view of energy usage, chat, an enhanced outage map including meter test functionality; and the SMUD Energy Store, which is an online marketplace for energy-related products. SMUD plans to continue efforts to provide more personalized digital customer experiences.

Advanced Metering, Infrastructure and Rate Design. As a community-owned organization, SMUD is committed to providing tools and transparency in customer energy usage to empower customers to positively impact their energy consumption, costs, and climate change. In 2012, SMUD installed advanced technology, including digital communicating smart meters, distribution automation systems, and related equipment to facilitate load management. This investment has enabled SMUD to offer innovative tools such as text and e-mail bill alerts, as well as online energy usage comparison charts, helping customers manage their energy consumption more effectively.

Leveraging these smart grid investments, SMUD has enhanced the reliability of its service, reduced line losses, addressed power quality issues, and improved customer service through better, more timely information. Currently, SMUD's service territory is equipped with approximately 750,000 smart meters. About 200,000 of these meters are undergoing replacement to next generation meters as part of SMUD's ongoing Grid-Edge Intelligence project, which is scheduled for completion by the end of August 2026. Approximately 600 customers have opted out of smart metering.

The Grid-Edge Intelligence project involves deploying distributed intelligence applications at the grid edge, establishing a data hub, and migrating all customers to five minute interval data collection. The key benefits of the project include increased grid capacity, flexibility, and resilience—especially in historically under-resourced communities—as well as faster outage detection and response time, along with real-time management of distributed energy resources and electric vehicles. Additionally, the project promotes equitable, technology-driven customer engagement, creates high-skilled jobs, and helps control long-term grid costs.

Renewable Options. SMUD’s customers have been increasingly interested in distributed energy resources, mainly through the installation of solar systems. As of January 2026, approximately 10% of retail customers had installed solar systems, representing approximately 480 MW of solar installations.

As the cost of energy storage continues to decline, SMUD anticipates an increase in behind-the-meter energy storage, mainly through the installation of battery storage systems. As of January 2026, approximately 0.5% of retail customers had installed storage systems, representing approximately 20 MW of storage.

As another option for solar, SMUD’s SolarShares® pilot program (the “SolarShares Pilot”) was established as a cost-effective and convenient way for commercial customers to meet their energy needs from solar power. The SolarShares Pilot offered SMUD commercial customers the opportunity to receive solar power without upfront costs or equipment installation through 5-, 10- or 20-year purchase contracts. Customers that entered into purchase contracts under the SolarShares Pilot receive up to half of their power from a utility-scale solar system. SMUD supplies up to 151 MW of solar power to participants in the SolarShares Pilot either by building and maintaining utility-scale solar systems or by procuring solar power from third parties through power purchase agreements. The SolarShares Pilot generation was approximately 3.0% of retail sales in 2025. SMUD completed the SolarShares Pilot on April 30, 2021, and is not entering into new purchase contracts under the SolarShares Pilot.

The California Building Code requires certain newly constructed residential and commercial buildings to be powered by photovoltaic solar systems. A new building satisfies this requirement if it installs on-site solar or participates in an approved community solar or energy storage program. In response to this requirement, SMUD obtained approval from the California Energy Commission (“CEC”) to administer its own community solar program, called Neighborhood SolarShares® (“Neighborhood SolarShares”), which was designed to be used by developers to satisfy the mandatory solar requirement. The Neighborhood SolarShares program was fully subscribed in November 2024 and not accepting new reservations. The Neighborhood SolarShares program generation was approximately 0.02% of retail sales in 2025.

SMUD also launched a Residential SolarShares program in 2024. This program is designed to appeal to low- and moderate-income customers that are currently participating in Greenergy (described below). The Residential SolarShares program allows Greenergy participants to save money each month by switching to Residential SolarShares. The program can accommodate up to 10 MW in subscriptions.

In addition to the SolarShares Pilot, Neighborhood SolarShares, and Residential SolarShares, SMUD has operated a voluntary green energy pricing program called Greenergy® (“Greenergy”) since 1997. The Greenergy program allows customers the opportunity to pay an additional amount per month to ensure that either all or part of their electricity comes from green or carbon-free energy sources. In 2025, the program allocated Renewable Energy Credits (“RECs”) equivalent to approximately 5.1% of retail sales to its participating customers.

Energy Efficiency. To further assist customers in managing energy usage and reducing regional carbon emissions and air pollution, SMUD offers an extensive array of energy efficiency and building electrification programs and services including financial incentives, energy audits and education. In addition, SMUD has partnered with local developers to incorporate energy efficiency and all-electric construction measures into new residential and commercial construction, which helps developers plan and design efficient, cost-effective and low- or zero-emission buildings. As part of SMUD’s 2019 Integrated Resource Plan (“IRP”), SMUD set a goal for regional carbon emissions through transport and building electrification that aimed to reduce carbon emissions in buildings and transport by 64% over 20 years. SMUD’s focus on electrification continued in the Zero Carbon Plan (defined and discussed below).

SMUD was the first electric utility in the country to set its efficiency goals based on carbon reductions, allowing both building electrification and energy efficiency to count toward meeting SMUD's efficiency goals. This is a significant opportunity, as converting a typical home today to all-electric saves more than three times the carbon emissions compared to doing a major energy efficiency upgrade alone to the same building. See "POWER SUPPLY AND TRANSMISSION – Projected Resources."

Sustainable Power Supply and Transmission

Maintaining a sustainable power supply entails focusing efforts on researching, promoting and implementing new renewable energy technologies and sources to meet SMUD's long-term commitment to reducing carbon emissions and providing a reliable energy supply. SMUD's goal is to reach zero carbon emissions in SMUD's power supply by 2030. See "*2030 Zero Carbon Plan*" below. SMUD is planning to achieve this goal through investments in energy efficiency, clean distributed energy resources, Renewables Portfolio Standard ("RPS") eligible renewables, energy storage, large hydroelectric generation, clean renewable fuels, carbon capture and sequestration, and new technologies and business models. Additionally, SMUD plans to continue pursuing GHG emissions reductions through vehicle, building and equipment electrification. At the same time, SMUD's plans for maintaining a sustainable power supply include assuring the reliability of SMUD's electric system, minimizing environmental impacts on land, Tribal and other cultural resources, habitat, water and air quality, and maintaining competitive rates relative to other electricity providers in the State.

A number of bills affecting the electric utility industry have been enacted by the State Legislature. In general, these bills regulate GHG emissions and encourage greater investment in energy efficiency and sustainable generation alternatives, principally through more stringent RPS requirements. See "DEVELOPMENTS IN THE ENERGY MARKETS – State Legislation and Regulatory Proceedings" herein.

2030 Zero Carbon Plan. In July 2020, the Board declared a climate emergency and adopted a resolution calling for SMUD to take significant and consequential actions to reduce its carbon footprint by 2030. On April 28, 2021, the Board approved SMUD's 2030 Zero Carbon Plan (the "Zero Carbon Plan"). The Zero Carbon Plan is a flexible roadmap for SMUD to eliminate carbon emissions from its electricity production by 2030 while maintaining reliable and affordable service. To achieve these goals the Zero Carbon Plan is focused on four main areas: natural gas generation repurposing, proven clean technologies, new technologies and business models and financial impacts and options. SMUD plans to develop a new IRP in 2027 and in the meantime revisits the Zero Carbon Plan annually.

The natural gas generation repurposing focus of the Zero Carbon Plan calls for exploring the replacement of two of SMUD's five Local Gas-Fired Plants (as defined herein) and the retooling of the other three Local Gas-Fired Plants. See "POWER SUPPLY AND TRANSMISSION – Power Generation Facilities – *Local Gas-Fired Plants*." Based on SMUD's studies to date, SMUD estimates that the McClellan Power Plant (as defined herein) and the Campbell Power Plant (as defined herein) can be replaced in the next several years depending on SMUD's success with replacement resources. However, final decisions about the replacement of these two Local Gas-Fired Plants will be guided by reliability studies, the financial impacts of the various options, and the potential need of these assets to support load growth in the region or mitigate low production events from variable energy resources (solar, wind, and hydro). As part of the Zero Carbon Plan, SMUD is also exploring retooling options for the Carson Power Plant (as defined herein) and the Procter & Gamble Power Plant (as defined herein) to reduce utilization of these two projects. SMUD is also investigating opportunities to source cost effective fuels like Renewable Natural Gas-biomethane (RNG-biomethane), while monitoring hydrogen and other biofuels as clean fuels of the future, for use in all of the Local Gas-Fired Plants. In addition, SMUD is investigating new technologies such as long duration energy storage and carbon capture and sequestration as other methods

to green SMUD's energy supply. All final generator configurations are subject to reliability and financial assessments.

The proven clean technologies focus of the Zero Carbon Plan calls for SMUD to procure approximately 1,100 to 1,500 MW of utility-scale solar photovoltaic ("PV") generating capacity, 700 to 1,100 MW of local utility-scale battery storage, 300 to 500 MW of wind generating capacity, and 100 to 220 MW of geothermal generating capacity. The Zero Carbon Plan also estimates that customer installation of approximately 500 to 750 MW of behind-the-meter solar PV generating capacity and approximately 50 to 250 MW of behind-the-meter battery storage will assist SMUD with achieving the Zero Carbon Plan goals.

With respect to new technologies and business models, the Zero Carbon Plan focuses on evaluating, prioritizing and scaling the emerging technologies that SMUD expects will have the largest impact on reducing carbon in SMUD's 2030 resource mix. SMUD is currently focused on various areas of technology and customer-focused programs, including electrification, education, demand flexibility, virtual power plants, vehicle-to-grid technology, and new grid-scale technologies. The Zero Carbon Plan forecasts that customer-owned devices and SMUD customer-focused programs will contribute between 360 and 1,300 MW of capacity to SMUD's grid by 2030.

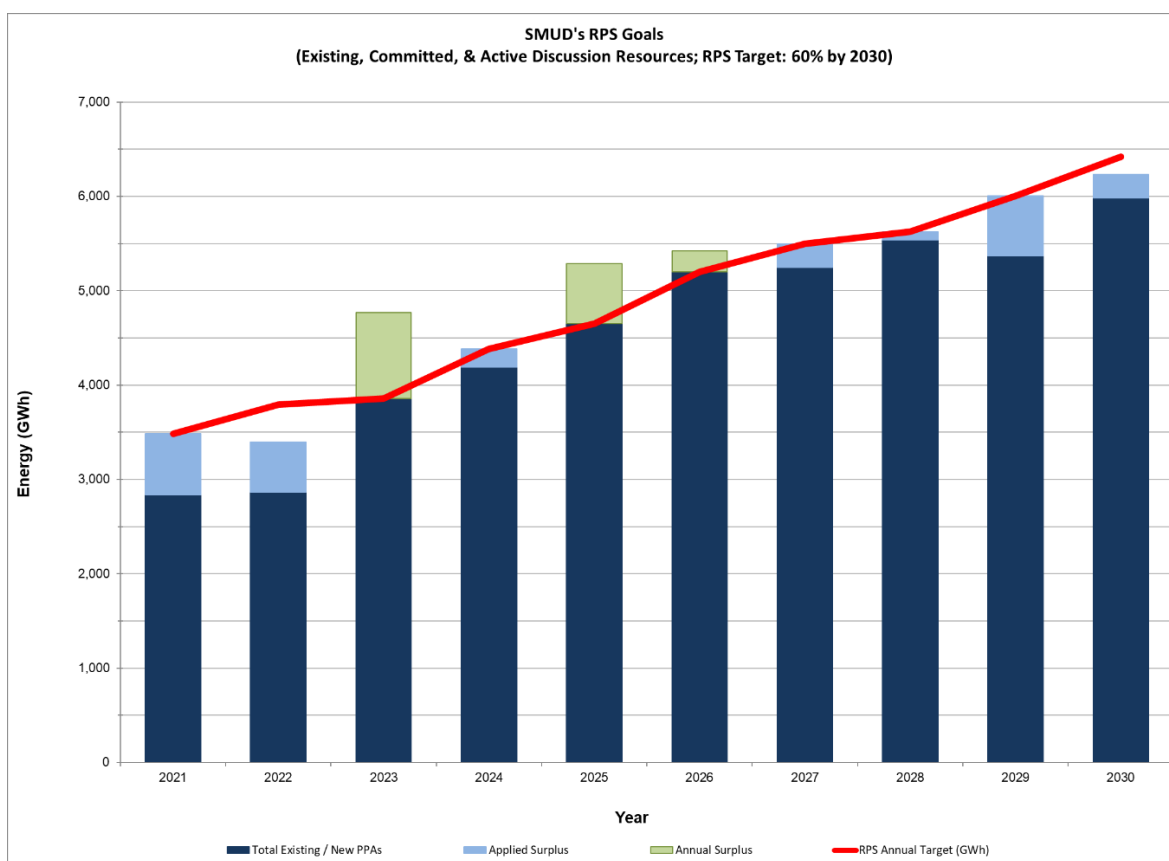
The financial impacts and options focus of the Zero Carbon Plan aims to keep SMUD rate increases at or below the rate of inflation while achieving SMUD's goal of eliminating carbon emissions from its power supply by 2030. To pay for the expected costs of the Zero Carbon Plan and keep rate increases at or below the rate of inflation, the Zero Carbon Plan estimates the need for SMUD to realize sustained annual savings. SMUD currently plans to achieve these sustained annual savings by exploring the implementation of operational savings strategies and pursuing partnership and grant opportunities. The availability, timing, and amount of federal or state grant funding is inherently uncertain and may be influenced by changes in federal policy or priorities. There can be no assurance that anticipated grant funding will materialize at levels assumed in the Zero Carbon Plan.

While the ultimate impacts of the Zero Carbon Plan on SMUD's financial results and operations are difficult to predict and are dependent on a variety of factors, such as the relative cost of procuring energy from clean technologies, the availability and relative cost of new technologies, and the adoption and implementation of energy efficiency and other measures by SMUD's customers, such impacts could be material.

Renewable Energy and Climate Change. The California Renewable Energy Resources Act, established by Senate Bill X1-2 ("SBX1-2") and the Clean Energy and Pollution Reduction Act of 2015, enacted by Senate Bill 350 ("SB 350") require that SMUD meet 33% of its retail sales from RPS-eligible renewable resources by 2020 and 50% of its retail sales from RPS-eligible renewable resources by 2030. Senate Bill 100 ("SB 100"), passed by the legislature and approved by then-Governor Brown on September 10, 2018, accelerated the RPS targets and established a new 60% target by 2030. The bill also created a planning goal to meet all of the State's retail electricity supply with a mix of RPS-eligible and zero-carbon resources by December 31, 2045. See "DEVELOPMENTS IN THE ENERGY MARKETS – State Legislation and Regulatory Proceedings – *Renewables Portfolio Standards*" for a discussion of the State RPS requirements.

SMUD's compliance with State RPS requirements is evaluated over 3- or 4-year compliance periods. SMUD met the State RPS requirements for the first compliance period (2011-2013), second compliance period (2014-2016), and third compliance period (2017-2020). SMUD filed its 2024 and fourth compliance period RPS compliance reports with the CEC in the second quarter of 2025. The CEC compliance determination letter is expected in 2026. SMUD had sufficient RECs to meet requirements, and

as of the end of the fourth compliance period (2024), SMUD had three hundred sixty thousand surplus RECs available to help meet future RPS targets. SMUD’s 2024 RPS compliance report shows SMUD provided 42% of its retail sales from RPS-eligible renewable resources in 2024. In addition to meeting RPS standards, SMUD serves an additional 7.2% of its customer load with renewable energy through its voluntary SolarShares and Greenergy pricing programs described above. SMUD estimates that it has sufficient renewable energy deliveries, new power supply contract commitments, new power supply commitments under active discussion, and RPS-eligible surplus carryover to meet its RPS requirements through 2029. SMUD has a small gap in its RPS requirement for 2030 for which SMUD is currently assessing additional RPS-eligible resources to sufficiently comply in 2030. The following chart illustrates SMUD’s current RPS requirements through 2030 and its existing and committed resources utilized to meet those requirements.



In addition to procuring new sources, meeting the RPS requirements will require replacement of certain existing renewable contracts which expire in future years. While SMUD anticipates it will meet much of its renewable resource requirements through purchase contracts with third parties, it continues to explore additional options, including wind, solar, biomass, and geothermal developments, partnering with other utilities on future projects, and local development options. SMUD’s resource forecast (see “POWER SUPPLY AND TRANSMISSION – Projected Resources”) accounts for future renewable resources as a component of “Uncommitted Purchases.” To meet SMUD’s Zero Carbon Plan goals, SMUD anticipates meeting loads in 2030 with approximately 70-80% renewable resources, in addition to hydro and other new zero carbon technologies. See “– 2030 Zero Carbon Plan” above.

Given the intermittent nature of power from renewable resources such as wind and solar, SMUD is exploring and investing in options that provide the flexibility to manage the intermittency of such renewable resources. Potential options include energy storage resources, which SMUD has committed to

as part of the Zero Carbon Plan, and expanding load management resources. Additionally, on April 3, 2019, SMUD, through its membership in BANC, a joint exercise of powers agency formed in 2009, and currently comprised of SMUD, the Modesto Irrigation District (“MID”), the City of Roseville (“Roseville”), the City of Redding (“Redding”), the City of Shasta Lake and the Trinity Public Utilities District, commenced participation in the California Independent System Operator Corporation (“CAISO”) western energy imbalance market (“WEIM”). Participation in the WEIM benefits SMUD by providing it with broader access to balancing resources within the region to help manage its expanding renewable portfolio. In addition, other entities within the BANC Balancing Authority Area began participation in the WEIM on March 25, 2021. See “BUSINESS STRATEGY – Sustainable Power Supply and Transmission – *Operational Independence and Local Control*” and “POWER SUPPLY AND TRANSMISSION – Balancing Authority Area Agreements.”

In 2022, SMUD’s Board formally adopted the 2030 Zero Carbon Plan as SMUD’s updated IRP. SMUD filed the approved IRP update with the CEC on September 14, 2022, pursuant to the CEC’s IRP guidelines, which called for updating SMUD’s IRP filing within five years of SMUD’s previous filing of April 29, 2019. SMUD’s Zero Carbon Plan built upon the April 2019 IRP and set a goal of zero carbon emissions by 2030. On August 14, 2024, the CEC formally found that SMUD’s IRP was complete and ordered that SMUD’s IRP filing complies with requirements set forth in California Public Utilities Code section 9621. SMUD’s next formal IRP process is expected to be completed and filed with the CEC no later than September 2027. See “BUSINESS STRATEGY – Sustainable Power Supply and Transmission – *2030 Zero Carbon Plan*.”

The State’s carbon cap-and-trade market established pursuant to Assembly Bill 32 (“AB 32”) began in 2013. See “DEVELOPMENTS IN THE ENERGY MARKETS – State Legislation and Regulatory Proceedings – *Greenhouse Gas Emissions*” for a discussion of AB 32 and the State’s cap-and-trade program, now called the cap-and-invest program. SMUD anticipates that allowances allocated to SMUD will nearly equal SMUD’s compliance obligations under normal water year conditions. Under low water year conditions, SMUD may need to purchase additional allowances to cover its compliance obligations, including carbon obligations related to wholesale energy sales from SMUD’s natural gas power plants. As SMUD implements its clean power goals, SMUD expects fewer allowances will be required to satisfy its compliance obligations. SMUD will nonetheless continue to seek free, long-term allocations of allowances from the California Air Resources Board to protect ratepayers from compliance costs and further support SMUD’s decarbonization efforts.

There is scientific consensus that increasing concentrations of GHG have caused and will continue to cause a rise in temperatures in the State and around the world. The change in the earth’s average atmospheric temperature, generally referred to as “climate change,” is, among other things, expected to result in a wide range of changes in climate patterns, including increases in the frequency and severity of extreme weather events, including droughts and heat waves, more frequent incidences of wildfires, changes in wind patterns, sea level rise and flooding, any of which alone or in combination could materially adversely affect SMUD’s financial results or operations. See also “FACTORS AFFECTING THE REGION” and “OTHER FACTORS AFFECTING THE ELECTRIC UTILITY INDUSTRY – Other Factors.” As described above, SMUD is actively working to meet its sustainable power supply goals, reduce its own GHG emissions, and assist the local governments in the territory it serves with their desired GHG reductions. SMUD is a founding member and active participant in the Capital Region Climate Readiness Collaborative, a public private partnership formed to better understand and plan for climate impacts expected in the region. In order to better serve SMUD’s community and improve SMUD’s ability to mitigate and adapt to a changing climate, SMUD offers a wide range of residential and commercial decarbonization rebates and provides no-cost energy retrofit installations to income-eligible residential customers for both gas-to-electric conversions and electric-to-electric upgrades. Available project measures include electric heat pump water heaters, electric heat pump HVAC units, seal-and-insulate projects, and

panel upgrades. SMUD has an Enterprise Risk Management (“ERM”) program which leverages a formal risk governance structure and framework to identify, assess and prudently manage SMUD’s risk environment. The enterprise risk portfolio includes climate change. SMUD regularly reviews scientific findings related to climate change and in 2016 published its Climate Readiness Assessment and Action Plan. In 2024, SMUD began a significant update to its Climate Readiness Assessment and Action Plan which will include a framework for prioritizing climate adaptation and resilience investments across the organization. This update is expected to conclude in 2026.

Energy Storage Systems. Assembly Bill 2514 (“AB 2514”) requires the Board to re-evaluate energy storage goals every three years. In compliance with AB 2514, the Board established a target of 9 MW of energy storage procurement by December 31, 2020, which SMUD has procured. See “DEVELOPMENTS IN THE ENERGY MARKETS – State Legislation and Regulatory Proceedings – *Energy Storage Systems*” for further discussion of AB 2514. In September 2020, the Board directed that energy storage forecasts be implemented through SMUD’s IRP process going forward. See “BUSINESS STRATEGY – Sustainable Power Supply and Transmission – *Renewable Energy and Climate Change*” above for a discussion of SMUD’s IRP. SMUD is also investing in utility-scale solar with utility-scale storage to support future system reliability needs and renewable energy goals.

Meeting Peak Load. A significant consideration for SMUD will be how it addresses its system peak load. SMUD has implemented programs and tools, such as advanced metering, energy efficiency options, load flexibility programs, and time-of-day (“TOD”) rates for residential customers, to help customers manage their costs while helping SMUD reduce its peak load. Load impact analysis after TOD rates were implemented showed a reduction in peak demand of about 8% or approximately 130 MW, weather adjusted, for residential customers during the TOD peak period (5-8 p.m. local time). This impact has become a permanent load reduction in the residential class and is now embedded in the system load.

On September 16, 2021, the Board approved an optional residential Critical Peak Pricing rate (the “Peak Pricing Rate”), which went into effect June 1, 2022. The Peak Pricing Rate is designed to reduce load by increasing the price of energy when the grid is most impacted, up to 50 hours per summer. In exchange, customers on the rate will receive a per kWh discount on summer Off-Peak and Mid-Peak rates.

SMUD also uses distributed energy resources, virtual power plants, and demand response programs to further reduce SMUD’s system peak. These programs pay customers a financial incentive to automatically scale back their energy use when SMUD sends a signal. For example, the SMUD My Energy Optimizer Partner program has over 38,000 smart thermostats enrolled that automatically adjust a customer’s home thermostat settings in advance of a forecasted peak period, so they consume less energy during the peak event while their homes remain at a reasonably comfortable temperature. SMUD’s latest offering for residential customers provides generous upfront incentives for battery purchases if customers enroll their battery storage systems in SMUD’s VPP program, enabling SMUD’s operators to utilize them to provide myriad grid services in lieu of traditional supply-side investments. Participating customers also receive ongoing quarterly incentive payments for participating in the program. Currently, there are over 2,300 batteries enrolled, providing approximately 12 MW of capacity to SMUD’s system, with plans to scale to over 5,000 batteries in the next decade. Other programs focus on optimizing electric vehicle charging, and managing commercial/industrial process loads to more cost-effectively meet grid needs. These programs provide local energy resources that directly benefit customers while affordably alleviating grid constraints.

Operational Independence and Local Control. A key component of SMUD’s business strategy is focused on maintaining its independence in operating and maintaining its resources. As such, SMUD has taken a number of actions to mitigate the potential impacts of various federal and state regulatory actions. For example, in 2002 SMUD established itself as an independent control area (now termed “Balancing

Authority”) within the Western Electricity Coordinating Council (“WECC”) region. By removing itself from CAISO’s Balancing Authority area, SMUD became responsible for balancing electric supply and demand within its own service territory. This move substantially reduced fees paid to CAISO, preserved operational flexibility and helped to insulate SMUD from the uncertain regulatory environment and tariff structure of CAISO. In addition to decreased financial risks, this independence also reduced SMUD’s exposure to the impacts of capacity and energy shortages in the CAISO Balancing Authority area. Further, as an independent Balancing Authority, SMUD continued to support the statewide electric grid in events of electrical emergencies requiring rotating outages, such as loss of major transmission lines or equipment, as provided in the statewide emergency plan. By 2006, the SMUD Balancing Authority footprint expanded north to the California-Oregon border and south to Modesto, to include the service areas of the WAPA, MID, Redding and Roseville, and TANC-owned 340-mile 500-kV California-Oregon Transmission Project (“COTP”). In October 2009, SMUD, with the coordination and cooperation of WAPA, joined the Western Power Pool Reserve Sharing Group, which supports reliability and reduces operating costs. In May 2011, BANC assumed the role of the Balancing Authority, though SMUD continues to oversee operation of the grid on behalf of BANC. BANC members share cost responsibility for balancing authority-related compliance obligations, liabilities, and operations. BANC also serves as an important venue for SMUD and other BANC members to collaborate with respect to operational and market improvements inside the BANC footprint and to preserve their operational independence. See “POWER SUPPLY AND TRANSMISSION – Balancing Authority Area Agreements.” As described above, SMUD, through its participation in BANC, operates in the WEIM, which helps SMUD better manage the integration of renewable energy resources. The WEIM is a voluntary market, which allows SMUD to maintain its operational independence from the CAISO, while providing SMUD greater access to balancing resources throughout the western region. See “POWER SUPPLY AND TRANSMISSION – Balancing Authority Area Agreements.”

Electricity, Natural Gas, and Related Hedging

SMUD continues to utilize a comprehensive and integrated power and fuel supply strategy to acquire a reliable and diversified portfolio of resources to meet existing and future needs. This strategy includes a combination of both physical supply and financial hedging transactions to reduce price risk exposure over a three-year horizon. SMUD’s physical supply arrangements include ownership of power generating resources, as well as a diversified portfolio of power and fuel supply purchase contracts that range in duration, with a mixture of fixed and variable pricing terms.

With regard to the power purchase contracts, SMUD has entered into a series of contracts for the purchase of electricity to supply the portion of its resource needs not already provided by owned resources. SMUD also actively manages its exposure on variable rate electricity purchases, and at times may enter into financial contracts to fix prices to reduce price risk, in each case when warranted by economic conditions. See “POWER SUPPLY AND TRANSMISSION – Power Purchase Agreements.”

With regard to fuel supply contracts, SMUD utilizes a similar strategy of employing financial contracts of various durations to hedge its variable rate fuel supply contracts. As of February 1, 2026, these contracts are forecasted to have hedged the price exposure on approximately 100%, 100% and 51% of SMUD’s anticipated natural gas requirements for 2026, 2027 and 2028, respectively. While the financial effects resulting from the unhedged portions of SMUD’s natural gas requirements are difficult to predict, SMUD’s financial results could be materially impacted. See “POWER SUPPLY AND TRANSMISSION – Fuel Supply – *Supply*.”

As a result of SMUD’s trading activities, significant and volatile fluctuations in power and gas prices may necessitate the posting of collateral. [As of February 24, 2026, SMUD had \$31 million of

collateral posting with various counterparties.] While the posting of collateral is not an expense for SMUD, it does temporarily encumber unrestricted cash balances.

To hedge against hydroelectric production volatility of SMUD-owned hydroelectric facilities, SMUD implemented a pass-through rate component called the Hydro Generation Adjustment (the “HGA”), and established a Hydro Rate Stabilization Fund (the “HRSF”). Similarly, to hedge against hydroelectric production volatility of non-SMUD-owned hydroelectric facilities, SMUD implemented a HGA and established a WAPA Rate Stabilization Fund (“WRSF”). These rate stabilization funds and rate pass through mechanisms help to offset increased power supply or fuel supply costs in years where precipitation levels at SMUD-owned and non-SMUD-owned hydroelectric facilities are low. See “RATES AND CUSTOMER BASE – Rate Stabilization Funds.”

Managing Risks

SMUD maintains an Enterprise Risk Management (“ERM”) program, a strategic approach to managing enterprise-wide risks as a portfolio, to help reduce the chance of loss, create greater financial stability and protect SMUD resources. It is designed to maintain an early warning system to monitor changes in, and the emergence of, risks that affect the organization’s business objectives. Under the purview of the Enterprise Risk Oversight Committee, composed of executive members and chaired by the Chief Financial Officer, ERM conducts ongoing risk identification, assessments, monitoring, mitigation and reporting. To ensure accountability and oversight, each identified risk is assigned to an executive or director-level risk manager. Risk status changes and mitigation efforts are reported annually to the Board.

Competitive Challenges

Utilities like SMUD may face competition from companies in other industries looking to diversify into the energy sector. Examples of developing competitive areas include retail sale of electricity, distributed electric storage resources, renewable distributed generation (mostly solar in Sacramento), customer installation of fuel cells, third-party electric vehicle charging, home or business automation that enables greater customer participation in energy markets, and third-party provision of energy management software and solutions.

SMUD has a wide range of initiatives to monitor and adapt to changing market conditions and new industry participants. Key areas of focus include:

- Enhancing customer experience. Recognizing the importance of meeting customer expectations, SMUD introduced the Customer Experience Strategy in 2016 to provide customers “value for what they pay” and further strengthen customer loyalty. The initiative is focused on ensuring SMUD has the people, systems, technology, programs and services to consistently meet or exceed customers’ changing expectations. The customer experience is measured via surveys with the goal of achieving 80% of customers agreeing that SMUD provides them with value for what they pay by 2030.
- Maintaining competitive rates. SMUD’s rates are currently among the lowest in California relative to other electricity providers in the State. SMUD has a number of risk mitigation and financial management strategies that it expects to use to keep rates competitive. See “BUSINESS STRATEGY – Sustainable Power Supply and Transmission” and “RATES AND CUSTOMER BASE.”
- Ongoing integrated resource planning. SMUD monitors and updates its integrated resource planning to ensure future sources of energy balance cost, reliability and environmental

requirements with the flexibility to meet challenges of changing market and regulatory conditions, customer energy resources, and emerging technologies.

Leveraging Core Competencies

In addition to these initiatives, SMUD is leveraging core competencies to improve industry safety and help communities serve their customers' energy needs.

Sacramento Power Academy. The Sacramento Power Academy is SMUD's operational training center providing training support for all of SMUD's skilled trades professionals. Operating on a 10-acre training facility the academy oversees SMUD's 14 skilled trades apprenticeships. The academy's experienced training professionals serve as liaisons and mentors to apprentices progressing through on-the-job training, program testing, night schooling, and extensive training components. The academy also ensures SMUD's skilled trades professionals are safe and compliant by coordinating and delivering annual regulatory and safety training. The academy is also a workforce development hub utilized by SMUD to increase awareness of and interest in skilled trades careers at SMUD, in SMUD's community, and in the utility industry.

Community Energy Services. State law authorizes Community Choice Aggregators ("CCAs") to aggregate customer electric load and purchase electricity for customers. SMUD's Community Energy Services department was established in 2017 to help CCAs to support public power while also generating additional revenue for SMUD. About half of the State is now served by a CCA. CCAs are responsible for procuring wholesale power, setting the generation rate, delivering billing data to the local investor-owned utility ("IOU") to include on customer bills, providing customer care, offering customer programs, engaging the community and more. The local IOU is responsible for delivery of electricity on the electric grid, maintaining its electric infrastructure, printing customer bills and collecting customer payments.

SMUD has entered into contracts with a number of CCAs pursuant to which SMUD provides a variety of consulting and administrative services to such CCAs. While CCAs have had success in the State, they are susceptible to business, regulatory and other risks that could lead to a financial loss and/or result in a cessation of operations for the CCA. These risks could extend to a CCA's counterparties, including SMUD. SMUD has made an effort to identify and mitigate potential counterparty risks to the extent possible in its contracts with CCAs. SMUD may pursue opportunities to provide similar services to additional organizations in the future. SMUD management does not expect its current arrangements with CCAs to have a material adverse impact on SMUD's financial position, liquidity or results of operations.

FACTORS AFFECTING THE REGION

Precipitation Variability

SMUD uses a precipitation measuring station located at Fresh Pond, California to approximate available water supply to SMUD's Upper American River Project (the "UARP") hydropower reservoirs. As of February 28, 2026, precipitation at Fresh Pond, California totaled 38.95 inches for the water year which runs from October to September. This is 105% of the 50-year rolling median (October – February) of 36.92 inches. Total reservoir storage in the UARP hydropower reservoirs was 263 thousand acre-feet as of February 28, 2026, which was about 80% of capacity and approximately 6% above the historical storage average. SMUD manages its reservoirs to maximize water storage going into the summer season, which preserves generating capacity during SMUD's high load months and ensures that SMUD meets its UARP FERC license requirements, including requirements for recreational and environmental flows.

There can be wide swings in precipitation from year to year. In years with below average rainfall, SMUD may have to generate or purchase replacement energy at additional cost. To hedge against variations in the volume of energy received from SMUD-owned UARP hydroelectric resources, SMUD uses the HRSF to help offset increased power supply or fuel supply costs. See “RATES AND CUSTOMER BASE – Rate Stabilization Funds.”

SMUD is also exposed to precipitation variability through its contract with WAPA. In an average water year this contract provides roughly 661 gigawatt hours (“GWh”) of power. WAPA’s actual deliveries are based on hydroelectric generation (minus energy use for the project and first preference customers) at Central Valley Project reservoirs in Northern California, which varies based on annual precipitation patterns, water deliveries for agriculture, and flow requirements in the Sacramento-San Joaquin River Delta. Unlike the UARP, SMUD does not monitor precipitation stations to approximate power deliveries under the WAPA contract, and instead relies on a forecast of power deliveries from WAPA. As of January 31, 2026, WAPA has forecasted power deliveries of 756 GWh for 2026, approximately 14% more than an average water year. Similarly, to hedge against hydroelectric production volatility of non-SMUD-owned hydroelectric facilities, SMUD implemented the WRSF. The WRSF and rate pass through mechanism help to offset increased power supply or fuel supply costs in years where precipitation levels at non-SMUD-owned hydroelectric facilities are low. See “RATES AND CUSTOMER BASE – Rate Stabilization Funds” and “POWER SUPPLY AND TRANSMISSION – Power Purchase Agreements – *Western Area Power Administration*.”

Wildfires

General. Wildfires in the State have become increasingly common and destructive. Drought conditions and warming temperatures have increased the possibility of wildfires occurring in areas where SMUD maintains generation, transmission and distribution facilities. The number of diseased and dead trees has increased, and could further increase, this possibility. In response, SMUD has proactively removed damaged, diseased, or otherwise hazardous trees within and adjacent to its rights-of-way as part of its vegetation management and wildfire mitigation programs. While these efforts reduce potential wildfire risk, SMUD cannot eliminate all future risk or liabilities associated with falling trees or vegetation, particularly those located outside of SMUD’s easements or control. As a result, SMUD faces an increased risk that it may be required to pay for wildfire related property damage or personal injuries, fines and penalties, some of which may not be covered by insurance (including costs in excess of applicable policy limits), or may be disputed by insurers, and could be material. In addition, a significant fire or fires in SMUD’s generation, transmission or service area could result in damage or destruction to SMUD’s facilities, result in a temporary or permanent loss of customers or otherwise materially increase SMUD’s costs or materially adversely affect SMUD’s ability to operate its Electric System or generate revenues.

SMUD’s service territory is located within Sacramento County, which is located outside the California Public Utilities Commission (the “CPUC”) high fire threat areas established in 2018. However, as described below, SMUD’s UARP facilities and certain of SMUD’s and TANC’s transmission facilities are within CPUC high fire threat areas. In addition, as described below, certain portions of SMUD’s service territory are located within the California Department of Forestry and Fire Protection (“Cal Fire”) Fire Protection and Resource Assessment Program (“FRAP”) Moderate, High and Very High Fire Hazard Severity Zones (“FHSZ”). SMUD’s exposure to liability for damages related to its UARP facilities, which are located within high fire threat areas in El Dorado County, is reduced due to risk mitigation measures adopted by SMUD and the low number of inhabitants and structures near the UARP facilities (See “Wildfire Mitigation” below).

SMUD continues to take responsible action to minimize its exposure to liability from wildfires; however, under current State law, utilities can be held liable for damages caused by wildfires sparked by

their equipment or other facilities regardless of whether the utility was negligent or otherwise at fault. PG&E and other major IOUs and publicly owned utilities (“POUs”) in the State have experienced credit rating downgrades and other negative rating actions as a result of potential wildfire liability exposure, which may have implications for the electric market generally.

Distribution (SMUD Service Territory). State law requires Cal Fire to classify areas in the State based on the severity of the fire hazard that is expected to prevail there. Cal Fire published a new State Responsibility Area (“SRA”) FHSZ map in March 2025. Cal Fire has not yet published a corresponding new FHSZ map depicting updated FHSZ for Local Responsibility Areas (“LRA”) and Federal Responsibility Areas (“FRA”). The LRA and FRA FHSZ maps depict fire hazard within, respectively, Sacramento County areas, and portions of the UARP where SMUD has transmission lines. Future updates to these maps may result in changes to the designation of areas as Moderate, High, and Very High Fire Hazard Severity Zones. FHSZ are based on factors such as fuel (material that can burn), slope and the expected chance of burning. There are three FHSZ (Moderate, High and Very High) based on increasing fire hazard. Portions of SMUD’s service territory are located within identified FHSZ.

FHSZ maps are used for land use planning and building code enforcement and reflect data regarding vegetation, topography, climate, and wildfire behavior. While the Cal Fire maps are not regulatory tools for utility operations, reclassifications of land near or adjacent to SMUD’s or TANC’s electric facilities could influence local land use decisions, community mitigation efforts, and potentially the wildfire risk exposure of nearby infrastructure. SMUD is monitoring Cal Fire’s FHSZ map update process and remains committed to proactive wildfire mitigation planning and compliance with all applicable local, State, and federal regulations. At this time, SMUD is unable to predict the specific impacts, if any, that updated Cal Fire maps may have on its facilities or operations.

SMUD has assessed its service territory based on Cal Fire’s FRAP map, adopted in 2007 and recently updated in March of 2025. The following table illustrates SMUD’s assessment of the approximate extent of its service territory and retail customer base located within the three FHSZ designations, based on the revisions to Cal Fire’s FRAP map as of March 2025.

Fire Hazard Severity Zone	Moderate	High	Very High
Acres of SMUD Service Area	165,851	28,871	2,727
% of Total SMUD Service Area	29.0%	5.1%	0.5%
Number of Retail Customers	29,091	1,479	211
% of Total Retail Customers	3.9%	0.2%	<0.1%

Transmission (Outside of SMUD Service Territory). In 2018, the CPUC approved a new statewide fire map that identifies areas of elevated and extreme wildfire risk from utility-associated assets located throughout the State. SMUD directly participated in the development of the CPUC’s statewide fire map. In connection with the development of the CPUC’s statewide fire map, a peer review and a team of independent nationwide experts led by Cal Fire affirmed that SMUD’s electric service area is properly located outside of these elevated (“Tier 2”) and extreme (“Tier 3”) high fire threat areas; however, SMUD’s UARP facilities are located within both Tier 2 and Tier 3 areas. According to the CPUC, Tier 2 fire-threat areas are areas where there is an elevated wildfire risk from utility assets and Tier 3 fire-threat areas are areas where there is an extreme risk from utility assets. [As of June 8, 2023, approximately 39.3 right-of-way miles of SMUD’s transmission lines are in Tier 2 fire-threat areas and approximately 20.8 right-of-way miles of SMUD’s transmission lines are in Tier 3 fire-threat areas. SMUD is also a member of TANC. As of May 2024, approximately 116.3 right-of-way miles of TANC’s transmission lines are in Tier 2 fire-

threat areas and approximately 4.5 right-of-way miles of TANC's transmission lines are in Tier 3 fire-threat areas.] In accordance with its FERC license, SMUD adheres to a FERC-approved Fire Prevention and Response Plan for its UARP facilities. On May 17, 2018, in accordance with State law, SMUD's Board of Directors determined that the UARP area may have a "significant risk of catastrophic wildfire" resulting from overhead electric facilities and that SMUD's FERC-approved UARP Fire Prevention and Response Plan meets requirements for presenting wildfire mitigation measures to the Board for its approval.

Wildfire Mitigation. In response to potential wildfire risk, SMUD has implemented and is continuing to implement a series of measures intended to prevent wildfires from occurring, minimize the spread of any fire that does occur and improve the resiliency of its system. These measures include an increase in the degree of sophistication of fuel reduction inside and adjacent to rights-of-ways; installation of Cal Fire-approved exempt material to reduce the risk of sparking; enhanced inspection and maintenance programs; increased use of ignition-resistant construction, including covered conductors and undergrounding of conductors; increased monitoring of and identified responses to fire conditions, including operational procedures for the de-energization of lines during high fire conditions; and elimination of automatic reclosers on SMUD's transmission lines and on SMUD's distribution lines in certain areas during fire season.

SMUD's proactive approach to vegetation management has been expanded to include the use of advanced technologies such as Light Detection and Ranging ("LiDAR"), ortho and oblique imagery that is used to pinpoint tree health and/or condition that may not yet be visible to the naked eye. In addition, SMUD has installed additional weather stations in transmission corridors and substations for increased situational awareness and has continued coordination and collaboration with local agencies and first responders as well as vulnerable populations.

State law requires POU's to prepare wildfire mitigation plans ("WMP"), have a qualified independent evaluator review and assess the comprehensiveness of the plans, and present the plans to their governing boards. POU's are also required to accept comments on the WMP from the public, other local and State agencies, and interested parties, and to verify that the plans comply with all applicable rules, regulations, and standards, as appropriate. In addition, State law requires POU's to submit their WMP to the State's Wildfire Safety Advisory Board (the "WSAB") for review and advisory opinions relating to the content and sufficiency of the plans. In 2025, State law was amended to require plans to be submitted to the WSAB at least once every four years. The WSAB has adopted a schedule requiring SMUD to submit its next WMP by October 1, 2027. SMUD plans to continue to review its WMP annually, conducting a comprehensive review at least every four years. SMUD is currently in the process of preparing its 2026-2029 WMP.

SMUD presents its plans to the Board for adoption at duly noticed public meetings. Plans and evaluator reports are submitted to the WSAB for advisory opinion and recommendations. SMUD responds to the WSAB's comments regarding SMUD's WMP as part of its WMP process. Most recently, the Board adopted SMUD's 2023-2025 WMP in 2023, as well as updates to the plan in 2024 and 2025, duly submitting these plan documents to the WSAB. The WSAB advisory opinions commended SMUD's WMP, recommending in its 2025 opinion only that SMUD "incorporate CAL FIRE's recent update to its FHSZ map to help identify and prioritize future risk mitigation activities in its high fire threat area" which SMUD will address in its 2026-2029 WMP.

Wildfire Insurance. Wildfires both in California and nationally have not only increased potential liability for utilities, but have also adversely impacted the insurance markets, leading to higher costs for coverage; coverages becoming prohibitively expensive; limited or restricted coverage to certain types of risks; or coverage at insufficient levels. SMUD most recently renewed its general and wildfire liability insurance coverage on June 15, 2025, increasing the coverage limit by \$25 million to \$315 million. SMUD

increased the commercially insured portion of its wildfire coverage program from \$241.5 million to \$280 million and reduced the self-insured layers and quota share portions of the coverage to \$35 million.

In addition, it is expected that SMUD will have a portion of the \$550 million aggregate principal amount of its commercial paper program and lines of credit to provide operational flexibility in the event of the occurrence of a wildfire or other operational event. However, SMUD has not covenanted to maintain the availability of the commercial paper program and lines of credit for these purposes and no assurances can be given that the commercial paper program and lines of credit will be available at the time of, or during, such an event.

Recent Heatwaves

California has experienced several prolonged and extreme heat events in recent years that have placed significant stress on the State's electric grid. During the August 2020 heatwave (August 14–18), CAISO implemented rotating outages across the State. As a member of BANC and operating outside of CAISO, SMUD did not implement any planned power disruptions and was able to provide emergency assistance and wholesale market sales to CAISO during certain hours. SMUD's peak load during this event ranged between 2,874 MW and 3,057 MW, well below its all-time system peak of 3,299 MW. More recently, during the September 2022 heatwave (September 5–8), SMUD recorded a peak demand of 3,263 MW, the second highest in its history. Again, SMUD was able to meet customer demand without implementing any planned outages. While SMUD has maintained system reliability during past extreme weather events, it cannot predict the occurrence, duration, or intensity of future heatwaves or their potential impacts on electric load or generation, transmission, or distribution system performance and such events could materially adversely affect SMUD's operations or financial results.

Storm Damage

In January 2023, SMUD experienced a series of winter storms that brought heavy rains and high winds causing damage to SMUD's grid and widespread outages for SMUD's customers. By the time the storm response was complete, SMUD had experienced the largest mobilization of personnel and restoration crews in its history. SMUD incurred costs related to removing downed trees, restoring power from downed poles and broken lines, replenishing inventory, communicating with and providing assistance to customers, maintaining IT systems, and coordinating with local emergency agencies. The material financial impacts have been reflected in SMUD's audited financial statements for the years ended December 31, 2024 and December 31, 2023.

Cosumnes Power Plant Outage

On June 5, 2022, the Cosumnes Power Plant (as defined herein) was shut down due to a ground fault in the Steam Turbine Generator ("STG") stator. The ground fault was caused by delamination of the insulation on one of the through bolts. Damage from the ground fault resulted in a full rewind and restack of the stator core, replacement of all stator through bolts, and a full rewind of turbine rotor. The Cosumnes Power Plant repairs were completed in February 2023 and the plant returned to service on March 5, 2023. During the extended outage, SMUD shifted generation to the other local gas-fired plants and the Sutter Energy Center and procured additional energy and resource adequacy capacity. SMUD also requested and received approval from the California Air Quality Board and California Energy Commission to operate one or both of the gas turbines without the STG. During a heatwave in September 2022, both of the gas turbines at the Cosumnes Power Plant were operated without the STG, providing 270 MW at peak.

To mitigate the financial impact of unplanned outages from its thermal assets, SMUD carries commercial property insurance with a business interruption endorsement. At the time of the loss, the

coverage provided up to \$30.8 million of business interruption recovery per month at the Cosumnes Power Plant, with a sub-limit of \$310 million over any 18-month period. During the policy period, claims were subject to a \$5 million equipment damage deductible and a 60-day business interruption claims waiting period.

In February 2024, SMUD reached a settlement for the equipment damage portion of the loss, of \$18.6 million, which resulted in a net recovery of \$13.6 million. The business interruption aspect of the claim had a 60-day waiting period and was settled in three phases: an early advance payment shortly after the loss in December 2022, a partial settlement in January 2024, and a final negotiated settlement in mid-2024. The total recovery for business interruption across these three payments was \$138.9 million.

Potential Impacts from Future Uncertainties

SMUD remains vigilant in assessing risks associated with future large-scale disruptions. SMUD's operations, financial position, and customer demand may be affected by future public health emergencies (including pandemics or epidemics), economic volatility, inflationary pressures, supply chain disruptions, labor shortages, changes in regulatory or legislative environments, imposition of tariffs, or other macroeconomic conditions beyond SMUD's control.

These risks could result in increased costs, delays to capital projects, changes in customer energy usage patterns, or an increase in delinquent customer accounts. In response, SMUD continues to enhance its enterprise risk management practices, develop contingency strategies, and maintain financial flexibility to help mitigate the effects of such events on operations and service reliability.

RATES AND CUSTOMER BASE

Rates and Charges

SMUD's Board of Directors has autonomous authority to establish the rates charged for all SMUD services. Unlike IOUs and some other municipal utility systems, retail rate and revenue levels are not subject to review or regulation by any other federal, State or local governmental agencies. Changes to SMUD rates only require formal action by the Board of Directors after two public workshops and a public hearing. SMUD is not required by law to transfer any portion of its collections from customers to any local government. SMUD typically reviews and sets rates on a two-year cycle.

2025 Rate Action. On June 19, 2025, the Board approved a 3.0% rate increase effective on January 1, 2026, and a 3.0% rate increase effective on January 1, 2027. The rate action also included an optional rate for residential customers designed for low users that have a panel size of 125 amps or less. The approved optional rate has a lower monthly fixed charge and higher energy rates to make it revenue neutral. In addition, the Board approved updates to SMUD's open access transmission tariff (OATT).

Rate Stabilization Funds

The Rate Stabilization Fund ("RSF"), which includes the HRSF (defined below) and the WRSF (defined below), is maintained by SMUD to reduce the need for future rate increases when costs exceed existing rates. At the direction of the Board, amounts may be either transferred into the RSF (which reduces revenues) or transferred out of the RSF (which increases revenues). The Board authorizes RSF transfers on an event driven basis. The RSF includes funds to:

- hedge variations in the volume of energy generation from SMUD owned UARP facilities;

- hedge variations in the volume of energy received from WAPA hydroelectric generation;
- hedge variations in commodity expenses;
- hedge variations in AB 32 revenue;
- hedge variations in Low Carbon Fuel Credit (“LCFS”) revenue; and
- support SMUD’s Community Impact Plan.

As of December 31, 2025, the combined balance in the RSF, including the HRSF and the WRSF, was \$350 million.

Effective July 2008, SMUD implemented the HGA, which is a pass-through rate component to deal with variations in hydroelectric generation from the UARP (see “POWER SUPPLY AND TRANSMISSION – Power Generation Facilities – *Hydroelectric*”). The HGA is designed to increase revenues in dry years when SMUD must buy power to replace hydroelectric generation and return money to the HRSF in wet years when SMUD has more hydroelectric generation than expected. Each year SMUD determines the impact of precipitation variances on projected hydroelectric generation from the UARP. When the precipitation variance results in a deficiency of hydroelectric generation from the UARP, transfers from the HRSF, which was created as a component of the RSF, to SMUD’s available cash, will be made in an amount approximating the cost to SMUD of replacement power (up to 4% of revenues) until the balance in the HRSF is zero. When the precipitation variance results in a projected surplus of hydroelectric generation from the UARP, deposits will be made into the HRSF in an amount approximating the positive impact to SMUD from the surplus hydroelectric generation (up to 4% of revenues) until the balance in the HRSF is equal to 6% of budgeted retail revenue. If the balance in the HRSF is not sufficient to cover transfers that would otherwise be made in the event of a projected deficiency in UARP hydroelectric generation, a 12-month HGA surcharge will automatically be included on customers’ electric bills at a level that generates up to 4% of retail revenue. If the balance in the HRSF is equal to 6% of budgeted retail revenue on any precipitation variance calculation date and the precipitation variance results in a projected UARP hydroelectric generation surplus, the positive impact of the surplus may be used for other purposes at staff’s recommendation, with the approval of the Board, including returned to customers through an electric bill discount up to 4% of retail revenue. SMUD calculates HRSF transfers based on an April-March (water year) precipitation period at Fresh Pond, California. This precipitation station is used to approximate available water supply to SMUD’s UARP hydropower reservoirs.

As of February 28, 2026, the balance in the HRSF, was \$80.9 million. Due to below average precipitation, as of February 28, 2026, SMUD is currently forecasting a transfer of approximately \$0.7 million out of the HRSF in April 2026, which would decrease the balance in the HRSF to \$80.2 million. Although the HRSF currently has a positive balance, prolonged below average precipitation could deplete the HRSF to zero.

In September 2023, SMUD added a pass-through rate component to deal with variations in hydroelectric generation from WAPA. Each year SMUD determines the WAPA Energy Delivery Variance (“EDV”) based on forecasted energy delivery minus the actual energy delivery. When the EDV variance is positive, transfers from the WRSF, which was created as a component of the RSF, to SMUD’s available cash, will be made in an amount approximating the cost to SMUD of replacement power (up to 2% of revenues) until the balance in the WRSF is zero. If the balance in the WRSF is not sufficient to cover transfers that would otherwise be made in the event of a projected deficiency in WAPA hydroelectric generation, a 12-month HGA surcharge will automatically be included on customers’ electric bills at a level that generates up to 2% of retail revenue. When the EDV variance is negative, deposits will be made into

the WRSF in an amount approximating the positive impact to SMUD from the surplus hydroelectric generation (up to 2% of revenues) until the balance in the WRSF reaches a maximum of 4% of budgeted retail revenue. Any deposit amount that exceeds the WRSF maximum of 4% of budgeted retail revenue, may be used for other purposes with the approval of the Board, including returned to customers through an electric bill discount up to 2% of retail revenue.

As of February 28, 2026, the balance in the WRSF was \$17.6 million. Based on the WRSF precipitation water year, as of February 28, 2026, SMUD forecasts a transfer of \$4.8 million into the WRSF in April 2026, which would increase the balance of the WRSF to \$22.4 million. Although the WRSF currently has a positive balance, prolonged below average precipitation could deplete the WRSF to zero.

Income-Eligible Discount

As of December 2025, approximately 75,232 customers received the income-eligible discount offered by SMUD, which represents approximately 12% of all residential customers. In 2025, the total discount was approximately \$29.2 million. While the discount has provided substantial benefits to income-eligible customer bills for years, multiple economic variables, such as inflation and rate increases, have had disproportionately negative impacts on income-eligible customers, particularly those in the 0-50% Federal Poverty Level (“FPL”). In 2023, SMUD established an EAPR Rate Stabilization Fund (“ERSF”) to provide an additional discount to the electricity usage charge up to an established maximum discount (“ERSF Additional Discount”) for customers in the 0-50% FPL. The ERSF is funded by discretionary non-retail rate revenue, reviewed on an annual basis, and the specific monthly ERSF Additional Discount is set before the year the value is in effect.

SMUD expanded its programs and services starting in 2016 to help income-eligible customers with energy assistance, home improvement packages and education. SMUD is creating tailored solutions to best meet the needs of income-eligible customers. These solutions include free solar panels and inspecting homes to identify energy saving and fuel switching opportunities. In 2025, SMUD assisted over 1,566 customers with energy retrofits and education. In partnership with Grid Alternatives (a non-profit organization that focuses on implementing solar power and energy efficiency for income-eligible families), and Habitat for Humanity of Greater Sacramento, SMUD provided free solar installations with battery storage to 42 income-eligible customers in 2025. In 2025, SMUD delivered electrification measures to 484 income-qualified households, installing 266 electric vehicle chargers and 344 electric vehicle circuits in homes and areas serving income-eligible customers. Through these initiatives, SMUD is dedicated to enhancing energy accessibility and sustainability for its community.

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Rate Comparisons

SMUD's rates remain significantly below those of PG&E and other large utilities throughout the State. The following table sets forth the average charges per kWh by customer class for both SMUD and PG&E. PG&E's rates reflect their recently approved rate increase effective March 1, 2026.

AVERAGE CLASS RATES

	SMUD Rates (cents/kWh)⁽¹⁾	PG&E Rates (cents/kWh)⁽²⁾	Percent SMUD is Below PG&E⁽³⁾
Residential – Standard	20.45¢	39.25¢	47.9%
Residential – Low Income	14.44¢	21.80¢	33.8%
All Residential	19.74¢	32.34¢	39.0%
Small Commercial (Less than 20 kW)	20.14¢	40.74¢	50.6%
Small Commercial (21 to 299 kW)	18.73¢	40.01¢	53.2%
Medium Commercial (300 to 499 kW)	17.45¢	35.46¢	50.8%
Medium Commercial (500 to 999 kW)	16.06¢	31.17¢	48.5%
Large Commercial (Greater than 1,000 kW)	14.00¢	21.62¢	35.2%
Lighting – Traffic Signals	15.67¢	40.14¢	61.0%
Lighting – Street Lighting	17.87¢	43.02¢	58.5%
Agriculture	17.58¢	38.34¢	54.1%
System Average	18.16¢	32.60¢	44.3%

⁽¹⁾ Projected 2026 average prices for SMUD with rates effective March 1, 2026.

⁽²⁾ PG&E average prices in 2026 reflect rates effective March 1, 2026, per Advice Letter 7846-E dated February 27, 2026.

⁽³⁾ The rates in the Average Class Rates table are calculated by dividing the total revenue of each class by the total usage of that class in kWh. The actual savings per customer will vary based on their electricity consumption.

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The following table shows a comparison of SMUD's charges for the average residential usage of 750 kWh per month (based on an average of summer and non-summer months) and charges of seven similar neighboring or largest utilities in the State.

STATEWIDE COMPARISON—RESIDENTIAL SERVICE

	Monthly Billing Charge 750 kWh⁽¹⁾⁽²⁾	Percent SMUD is (Below)/Above Utility
Turlock Irrigation District	\$137.12	8.9%
Sacramento Municipal Utility District	\$149.26	
Roseville Electric Utility	\$156.20	(4.4%)
Modesto Irrigation District	\$181.81	(17.9%)
Los Angeles Dept. of Water & Power	\$216.68	(31.1%)
Southern California Edison Company	\$283.09	(47.3%)
Pacific Gas & Electric Company	\$290.43	(48.6%)
San Diego Gas and Electric Company	\$324.41	(54.0%)

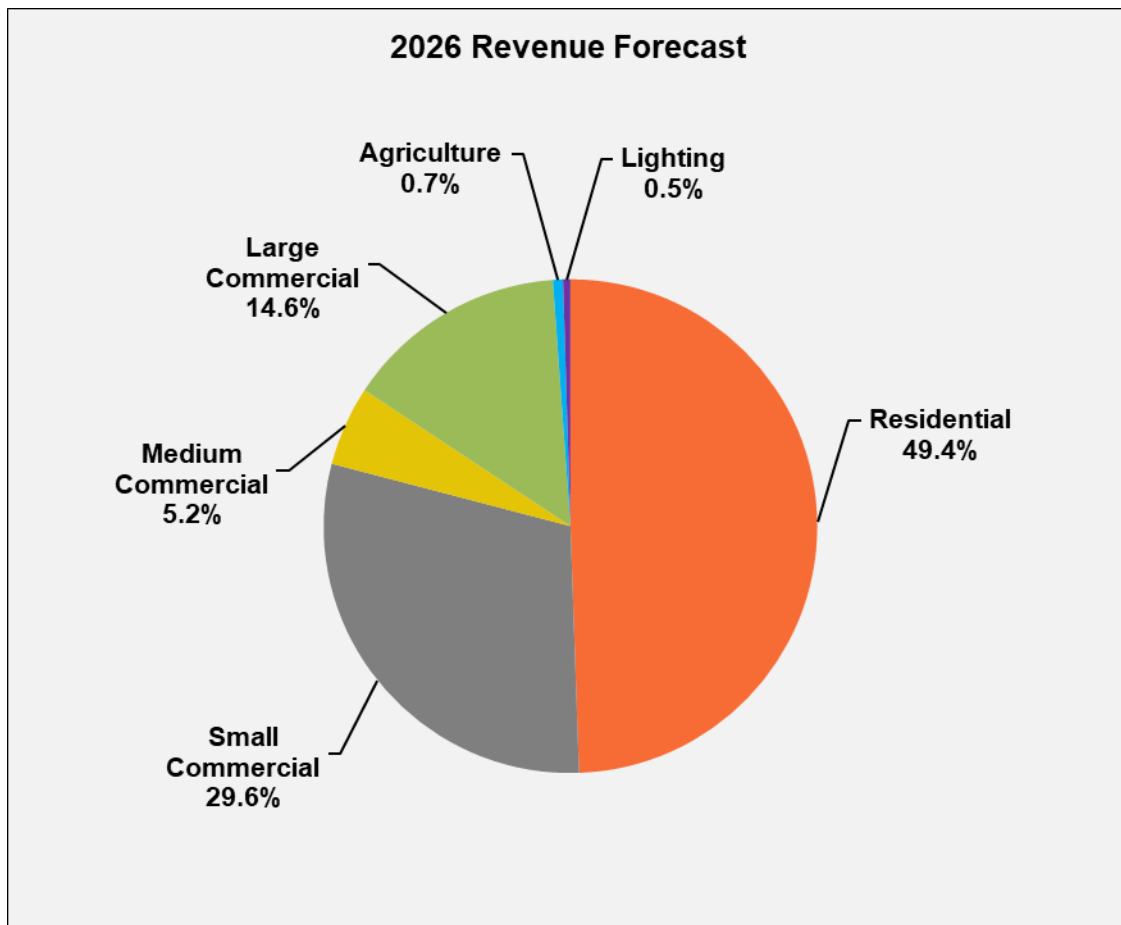
⁽¹⁾ Per individual utility's published schedules as of March 1, 2026.

⁽²⁾ Average usage of theoretical customer using 750kWh per month.

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Allocation of Revenue by Customer Class

The following chart sets forth the forecast percentage of SMUD revenues from billed sales associated with each customer class.



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Customer Base; Largest Customers

A stabilizing influence on SMUD's revenues is that a substantial proportion is derived from residential customers (49% in 2025). Historically, revenue from commercial and industrial consumption has been more sensitive to economic fluctuation. Furthermore, SMUD has no dominant customers that account for a significant percentage of annual revenues. In 2025, no single customer contributed more than 3% of revenues. The top ten customers generated approximately 10% of revenues and the top 30 generated approximately 16% of revenues. The following table presents information on SMUD's top ten customers as of December 31, 2025.

SMUD'S LARGEST CUSTOMERS (As of December 31, 2025)

Customer Type	Annual Revenue (\$ millions)	% of Total Revenue
Government	38.32	2.09%
Government	35.86	1.95%
Technology	30.87	1.68%
Government	17.30	0.94%
Technology	11.14	0.61%
Communications	10.59	0.58%
Government	9.01	0.49%
Retail	8.71	0.47%
Industrial Gases	8.53	0.46%
Communications	8.23	0.45%
Top 10 Total	178.56	9.72%

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POWER SUPPLY AND TRANSMISSION

Power Supply Resources

The following table sets forth information concerning SMUD's power supply resources as of January 1, 2026. Capacity availability reflects expected capacities at SMUD's load center, as well as entitlement, firm allocations and contract amounts in the month of July, which is generally SMUD's peak month.

POWER SUPPLY RESOURCES (As of January 1, 2026)

Source:	Capacity Available (MW) ⁽¹⁾
Generating Facilities:	
Upper American River Project – Hydroelectric	701
Solano Wind Project – Wind ⁽²⁾	115
Hedge Battery ⁽²⁾	4
Sub-total:	819
Local Gas-Fired Plants:	
Cosumnes Power Plant	576
Carson Power Plant.....	103
Procter & Gamble Power Plant.....	166
McClellan Power Plant	72
Campbell Power Plant	170
Sub-total:	1,087
Purchased Power:	
Western Area Power Administration (WAPA) ⁽³⁾ ⁽⁴⁾	337
Grady – Wind ⁽²⁾	81
Hatchet Ridge – Wind ⁽²⁾	25
Feed-in-Tariff Photovoltaic – Solar ⁽²⁾	29
Rancho Seco Solar ⁽²⁾	60
NTUA Navajo Drew Solar ⁽²⁾	42
Great Valley – Solar ⁽²⁾	30
Wildflower Solar ⁽²⁾	3
Sloughouse Solar ⁽²⁾	34
Calpine Geysers – Geothermal	100
CalEnergy – Geothermal	26
Patua (Gradient/Vulcan) – Geothermal.....	12
Other Long-Term Contracts.....	14
ELCC Portfolio Adjustment ⁽²⁾	55
Sutter Calpine Thermal	258
Firm Contract Reserves ⁽⁴⁾	17
Committed Short-Term Purchases ⁽⁵⁾	460
Uncommitted Short-Term Purchases/(Sales)	118
Sub-total:	1,699
Total	3,605

(1) Available capacity is the net capacity available to serve SMUD's system peak load during the month of July.

(2) Capacity values for wind, solar, and storage projects shown are based on resource effective load carrying capability ("ELCC") modeling.

(3) Total includes SMUD's Base Resource share and WAPA Customer allocations.

(4) Assumes firm reserves of 5% are included.

(5) Committed Short-Term Purchases are primarily purchased on a year-ahead to season-ahead basis from various sources.

Note: Totals may not add due to rounding.

Power Generation Facilities

Hydroelectric. The UARP consists of three relatively large storage reservoirs (Union Valley, Loon Lake, and Ice House) with an aggregate water storage capacity of approximately 400,000 acre-feet and eight small reservoirs. Project facilities also include eight tunnels with a combined length of over 26 miles and nine powerhouses containing 11 turbines. In addition to providing clean hydroelectric power and operating flexibility for SMUD, the UARP area provides habitat for fish and wildlife and a variety of recreational opportunities, including camping, fishing, boating, hiking, horseback riding, mountain biking and cross-country skiing.

The combined capacity of the UARP is approximately 697 MW at SMUD's load center in Sacramento. Under current licensing and mean water conditions, these facilities are expected to generate approximately 1,600 GWh of electric energy annually, which represents approximately 15% of SMUD's current average annual retail energy requirements. In 1957, the Federal Power Commission (predecessor agency to FERC) issued a license to SMUD for the UARP. This 50-year license was subsequently amended to add and upgrade facilities and now includes all segments of SMUD's hydroelectric facilities located on the South Fork of the American River and its tributaries upstream from the Chili Bar Project (described below). On July 23, 2014, FERC issued to SMUD a new 50-year license for the UARP.

On November 9, 2016, FERC issued an Order authorizing SMUD to construct the South Fork Powerhouse downstream of the UARP's Slab Creek Dam. Construction was substantially completed in the fall of 2020, and the new powerhouse was placed into operation on October 25, 2022, adding 1.8 MW of generation to the UARP's overall capacity.

On June 16, 2021, pursuant to Board authorization, SMUD acquired the Chili Bar Hydroelectric Project which consists of a 7 MW powerhouse, reservoir, dam and spillway, north of Placerville on the South Fork of the American River for approximately \$10.4 million (the "Chili Bar Project"). The Chili Bar Project is immediately downstream from the UARP and operates as the regulating reservoir for the UARP's largest powerhouse. Owning the UARP and the Chili Bar Project enables SMUD to operate the two projects with a holistic approach to license compliance and generation efficiency.

Solano 2 Wind Project. SMUD owns and operates an 87 MW wind project, located in Solano County, known as Solano 2. Solano 2 consists of 29 wind turbine generators ("WTGs") rated at 3 MW each. Energy from the project is collected at 21 kV and transmitted over a dedicated 3-mile overhead system to the SMUD-owned Russell substation. At the Russell facility, the energy is transformed to 230 kV and interconnected to PG&E's Birds Landing Switching Station. Energy deliveries are scheduled through the CAISO.

Solano 3 Wind Project. In 2011 and 2012, SMUD constructed a 128 MW wind project adjacent to Solano Phase 2, known as Solano 3. The Solano 3 project consists of 31 WTGs rated at 1.8 MW and 24 WTGs rated at 3.0 MW. The project interconnects through a 34.5 kV underground collection system to the Russell substation. Like the Solano Phase 2 project, this energy is transformed to 230 kV and delivered through the CAISO.

Solano 4 Wind Project. In 2023 and 2024, SMUD constructed the Solano 4 Project, which was fully operational as of May 10, 2024. As part of the Solano 4 Project, the 15 MW Solano 1 project was demolished. The Solano 4 Project adds an additional 85.5 MW of capacity to SMUD's Solano Wind portfolio. In 2023, SMUD merged Solano 2, 3, and 4 into one combined interconnection agreement with CAISO and PG&E. Now the CAISO calls the combined project "Solano Renewables 1."

The combined Solano Renewables 1 project is currently limited to 230 MW max output by PG&E because of two outstanding transmission upgrades to be completed by PG&E. The two PG&E projects include the Contra Costa thermal overload upgrade and the Vaca Dixon Breaker upgrade, both expected to be completed by May 30, 2027. An increase in deliverability to 320.8 MW from the Solano Renewables 1 project will occur when both upgrades are completed in May 2027. In total, SMUD will have an installed wind capacity of 303 MW in connection with the overall Solano Wind Project, leaving 18 MW at the point of interconnection for future development.

Distributed Solar Photovoltaic. SMUD owns and operates approximately 2 MW of solar photovoltaic generating facilities. These facilities include installations at the Hedge Substation property, SMUD Headquarters, the East Campus Operations Center, and other smaller photovoltaic systems throughout the service area on parking lots.

Hedge Battery. SMUD owns and operates a 4 MW, 8 MWh, battery energy storage system located near the Hedge Substation in South Sacramento. The facility reached commercial operation in January 2023.

Local Gas-Fired Plants. SMUD constructed five local natural gas-fired plants in its service area: the Carson Power Plant, the Procter & Gamble Power Plant, the Campbell Power Plant, the McClellan Power Plant, and the Cosumnes Power Plant (each defined below). These five plants are referred to collectively as the “Local Gas-Fired Plants.” These plants are a strategic component of SMUD’s resource mix. In addition to providing SMUD with a total capacity of approximately 1,139 MW, the Local Gas-Fired Plants provide SMUD with needed voltage support, operational and load following capability, and the reliability inherent in having power resources located close to loads. With the exception of the McClellan Power Plant, these plants were financed through the issuance of project revenue bonds by separate joint powers authorities. In late 2025, ownership of all of the Local Gas-Fired Plants was transferred to SMUD, with SMUD assuming all rights, interests, and obligations of the related contracts. This consolidation created operational and administrative efficiencies without changing any of the functionality of the power plants. SMUD has exclusive control of the Local Gas-Fired Plants and manages their operations as part of its overall power supply strategy.

The following is a brief description of the five Local Gas-Fired Plants:

The Cosumnes Power Plant (the “Cosumnes Power Plant”). The Cosumnes Power Plant is a 612 MW natural gas-fired, combined cycle plant located in the southern portion of Sacramento County adjacent to SMUD’s decommissioned Rancho Seco Nuclear Power Plant. Commercial operation of the Cosumnes Power Plant commenced on February 24, 2006. The net generating capacity of the facility was increased by 81 MWs via an Advanced Gas Path (“AGP”) upgrade. The additional AGP generation was realized after hardware and software upgrades were completed on both units in March of 2019. On June 5, 2022, the Cosumnes Power Plant was shut down due to a ground fault in the STG stator. The repair was completed in February 2023 and the plant returned to service on March 5, 2023. See “FACTORS AFFECTING THE REGION – Cosumnes Power Plant Outage”.

The Carson Power Plant (the “Carson Power Plant”). The Carson Power Plant, a 103 MW natural-gas-fired cogeneration project consisting of separate combined cycle and peaking plants, provides steam to the Sacramento Regional County Sanitation District (“SRCSD”) wastewater treatment plant adjacent to the site. Construction of the Carson Power Plant was completed and the plant began commercial operation on October 11, 1995.

The Procter & Gamble Power Plant (the “Procter & Gamble Power Plant”). The Procter & Gamble Power Plant, a 182 MW natural gas-fired cogeneration facility, is located in an established

industrial area of Sacramento. The initial combined cycle portion of the plant began commercial operation on March 1, 1997. Construction of the peaking plant portion of the Procter & Gamble Power Plant commenced during 2000 and the unit achieved commercial status on April 24, 2001. The Procter & Gamble Power Plant produces steam for use in Procter & Gamble Manufacturing Company's oleochemical manufacturing processes and electricity for sale to SMUD.

The Campbell Power Plant (the "Campbell Power Plant"). The Campbell Power Plant, a 170 MW natural gas-fired cogeneration project, was completed and began commercial operations on December 4, 1997. Upgrades were implemented during 2000, which increased the plant's peaking capacity to 180 MW, well above its net demonstrated capacity of 159.8 MW. The plant is located in south Sacramento adjacent to the Capital Commerce Center (formerly the Campbell Soup Company food processing facility). In support of the Zero Carbon Plan, SMUD is exploring replacing the Campbell Power Plant, contingent upon SMUD having sufficient other resources available and grid reliability can be maintained. See "BUSINESS STRATEGY – Sustainable Power Supply and Transmission – 2030 Zero Carbon Plan."

The McClellan Power Plant (the "McClellan Power Plant"). The McClellan Power Plant is a 72 MW natural gas-fired simple cycle combustion turbine generating plant at McClellan Business Park in Sacramento. This turbine is connected to SMUD's electric system and is operated to meet SMUD's peak-load requirements. The McClellan Power Plant is aligned for remote starting and operation with both black start and fast start capabilities. SMUD constructed the McClellan Power Plant in 1986 as a 50 MW emergency power source for the McClellan Air Force Base. In 2001, following the Air Force Base closure, the McClellan Power Plant was upgraded to 72 MW and converted for SMUD's use. In support of the Zero Carbon Plan, SMUD is exploring replacing the McClellan Power Plant, contingent upon SMUD having sufficient other resources available and grid reliability can be maintained. See "BUSINESS STRATEGY – Sustainable Power Supply and Transmission – 2030 Zero Carbon Plan."

Fuel Supply

General. SMUD arranges for the purchase and delivery of natural gas to the Local Gas-Fired Plants. Management of the natural gas procurement and delivery process is a key focus of SMUD's reliability and risk policies. Although the natural gas consumption of the power plants for SMUD's load can vary significantly depending on the season, precipitation, and the market price of power and natural gas, the plants are forecasted to need, on average in 2026, a total of approximately 107,500 Decatherms per day ("Dth/day") with a daily peak slightly more than 171,000 Dth/day of natural gas. SMUD has implemented a comprehensive strategy to secure a reliable and diversified fuel supply through a variety of agreements for the supply, transportation, and storage of natural gas.

Supply. SMUD hedges a significant portion of its expected gas needs to meet customer power requirements. This includes gas for the Local Gas-Fired Plants and for the Sutter Energy Center. See "Power Purchase Agreements – Sutter Energy Center". This is accomplished through a combination of long-term supply arrangements and an exposure reduction program. The program consists of a primary rolling three-year exposure reduction component, a fuel hedging component on a rolling three-year basis, as well as supplemental fixed calendar year components reaching out up to four calendar years. Long-term arrangements may consist of a combination of physical commodity supply contracts, financial hedges, or options. Natural gas is purchased from a wide variety of producers and marketers at the northern and southern California borders, and from the Rocky Mountain supply basins. SMUD has a number of both fixed-price supply agreements and financial hedging contracts to fix gas costs ranging from one month to several years in duration. As of February 1, 2026, these contracts are forecasted to have hedged the price exposure on approximately 100%, 100% and 51% of SMUD's anticipated natural gas requirements for 2026, 2027 and 2028, respectively. While the financial effects resulting from the unhedged portions of

SMUD's natural gas requirements are difficult to predict, SMUD's financial results could be materially impacted in the event of significant increases in market prices for natural gas.

SMUD has contracted with NCGA to purchase an approximate average of 8,700 Dth/day over the remaining life of a contract expiring May 31, 2027 (the "NCGA Contract"). Under the NCGA contract, SMUD pays a discounted variable price for the fuel and anticipates periodically fixing the effective price under separate hedging contracts. Until November 1, 2023 the delivery point for the NCGA Contract was the AECO hub in Alberta. Starting November 1, 2023, to increase delivery efficiencies, SMUD has exchanged the gas delivered at the AECO hub under the NCGA Contract with gas delivered at the Malin substation at the California-Oregon border. From there SMUD is using its long-term transport capacity to deliver the fuel to the Local Gas-Fired Plants.

SMUD has also contracted with NCEA to purchase an approximately 24,600 Dth/day on average, or to be converted to the approximate cash flow value in Megawatt-hours ("MWh") of electricity over the remaining life of a contract expiring on October 31, 2054. The gas will be delivered to the SMUD system via the Malin receipt point on the PG&E backbone system. SMUD is using its long-term transport capacity to deliver the fuel to the Local Gas-Fired Plants. SMUD will pay a discounted variable price for the fuel and anticipates periodically fixing the effective price under separate hedging contracts.

Renewable Natural Gas Supply. As a component of meeting SMUD's RPS goals, SMUD procures renewable natural gas and digester gas as fuels to generate renewable electricity from the Cosumnes Power Plant. Descriptions of the renewable natural gas supply agreements are provided below.

In March 2009, SMUD entered into a 15-year contract (that qualifies as renewable energy) with Shell Energy North America (US), L.P. ("Shell Energy") to purchase up to 6,000 Dth/day of renewable natural gas produced from a landfill project in Texas. SMUD began taking deliveries of this supply in April 2009. In March 2012, SMUD amended the contract with Shell Energy to increase the maximum volumes to 7,300 Dth/day and extended the term by 10 years to March 31, 2034. Currently, the delivery point is PG&E Topock.

In 2016, SMUD entered into a 3-year contract with Shell Energy to sell back the entire volume of renewable natural gas purchased, less 500 Dth/day, to be sold into the vehicle transportation markets. Upon expiration of the initial 3-year contract for the sale of biogas to Shell Energy, SMUD extended the sell back of the entire volume of biogas twice for an additional three years with Element Markets (now Anew RNG, LLC), starting in 2020 and 2023. Currently the sale of the entire volume of biogas is with Nextera Energy Marketing LLC starting in 2026. While SMUD sells the renewable natural gas, it does not count the renewable natural gas towards its RPS obligations.

The Carson Power Plant cleans nearly all of the digester gas received from SRCSD and uses it for delivery to the Cosumnes Power Plant. The Carson Power Plant is currently receiving, processing and delivering up to 1,500 Dth/day with capability for volume increases over time to 2,500 Dth/day. Digester gas, when designated for use in SMUD's power plants, is counted as renewable generation towards SMUD's RPS obligations.

In December 2011, SMUD entered into a 20-year agreement with EIF KC Landfill Gas LLC ("EIF") to purchase up to 7,050 Dth/day of renewable natural gas produced from multiple landfill projects. SMUD began taking deliveries of this supply in January 2014. Currently the delivery point is Kern River – Opal and SMUD uses its long-term transport capacity to deliver it to the Cosumnes Power Plant. Renewable natural gas, when designated for use in SMUD's power plants, is counted as renewable generation towards SMUD's RPS obligations.

In March 2025 SMUD entered into a transaction with Anew RNG, LLC to sell the renewable natural gas into the vehicle transportation markets. The transaction began in April 2025 and expires in December 2027. While SMUD sells the renewable natural gas, it does not count the renewable gas towards its RPS obligations.

AB 2196 is a law that defines the criteria by which existing and future renewable natural gas contracts will qualify for the State RPS program. The CEC adopted a RPS Eligibility Guidebook on April 30, 2013, which includes detailed rules for implementation of AB 2196. SMUD received an updated certificate of eligibility from the CEC in July 2014 for the Cosumnes Power Plant that included the quantities of renewable natural gas from the sources described above. The CEC adopted a revised RPS Eligibility Guidebook (Ninth Edition) on April 27, 2017. This latest guidebook did not change the RPS eligibility of any of the renewable natural gas and digester gas sources described above, but did simplify reporting requirements for these sources.

Gas Transmission

SMUD has satisfied its obligation to deliver natural gas to its power plants by constructing a natural gas pipeline, purchasing an equity interest in two PG&E backbone gas transmission lines, and contracting for capacity on a number of existing interstate natural gas transmission lines.

The Local Pipeline. SMUD constructed and owns a 20-inch, 50-mile natural gas pipeline in the greater Sacramento area (the “Local Pipeline”) that transports gas to all of the Local Gas-Fired Plants except the McClellan Power Plant. The Local Pipeline is interconnected with PG&E’s major State gas transmission lines 300 and 401. Additionally, it may be interconnected with one or more private gas gathering pipelines located in the area, a gas storage project and/or other FERC approved pipelines that may be built in the local area. In conjunction with the construction of the Cosumnes Power Plant, SMUD extended the Local Pipeline to the plant site. The 26-mile extension was completed in 2004. The extension is 24 inches in diameter and was designed to serve both the Cosumnes Power Plant and an additional second phase, if constructed.

PG&E Backbone Gas Transmission Lines 300 and 401. In 1996, SMUD purchased an equity interest in PG&E’s backbone gas transmission lines 300 and 401 (referred to as the PG&E backbone). The total capacity acquired at that time was approximately 85,000 Dth/day and consisted of approximately 43,600 Dth/day of firm gas transport from the California–Oregon border at Malin, Oregon and 44,700 Dth/day from the California–Arizona border at Topock, Arizona, to SMUD’s interconnection with the PG&E backbone near Winters, California. SMUD was also entitled to a share of non-firm capacity, which was approximately 4,360 Dth/day; making the total capacity potentially available to SMUD almost 90,000 Dth/day. This purchase made SMUD a co-owner of the PG&E backbone gas transmission lines 300 and 401 and obligated SMUD to pay PG&E to operate the pipelines on its behalf subject to the terms of the purchase agreement and operating protocols. PG&E reduced operating pressures on Line 300 after PG&E suffered a natural gas explosion in San Bruno, CA in September of 2010. Operating pressures and capacity may also fluctuate due to regulatory and other changes. As of June 1, 2025, and going forward, SMUD will hold a total capacity of approximately 85,500 Dth/day, consisting of approximately 47,723 Dth/day of firm gas transport from the California–Oregon border at Malin, and 37,798 Dth/day of firm gas transport from the California–Arizona border at Topock, Arizona, to SMUD’s interconnection with the PG&E backbone near Winters, California.

Kern River Gas Transmission Company Long Term Agreement. SMUD has an agreement with Kern River Gas Transmission Company for 20,000 Dth/day of firm capacity through April 30, 2028. This capacity gives SMUD access to the Rocky Mountain supply basin at Opal, Wyoming, and connects to PG&E Line 300 (owned in part by SMUD) at Daggett, California.

SMUD's diversified portfolio of gas transmission arrangements allow for the purchase of gas from a variety of suppliers and locations, and the opportunity to capitalize on regional price differentials where possible. In addition, its ownership interest in the SMUD/PG&E backbone and Local Pipeline enhances the reliability of SMUD's gas supply.

Gas Storage

SMUD also employs gas storage as part of its overall fuel supply strategy. Gas storage is useful to help balance gas supply, mitigate market price volatility, mitigate variations in retail load, and provide a reliable supply to meet peak day delivery requirements.

SMUD has a contract with Lodi Gas Storage, LLC, which began in April 2023 and expired in March 2026, for capacity in the Lodi Gas Storage project located near Acampo in northern California. The contract provided SMUD with capacity levels of 1.0 million Dth of storage inventory, 10,000 Dth/day of injection rights and 20,000 Dth/day of withdrawal capacity.

In anticipation of Lodi Gas Storage, LLC contract expiring, SMUD issued a Request for Offers ("RFO") and selected Central Valley Storage for a contract which began in April 2026 and expires in March 2031, for capacity in the project located near Princeton in northern California. The contract provides SMUD with capacity levels of 1.0 million Dth of storage inventory, 10,000 Dth/day of injection rights and 20,000 Dth/day of withdrawal capacity.

SMUD has a contract with Wild Goose Storage LLC, that began in April 2024 for capacity in the Wild Goose Storage project located near Gridley in northern California. The contract provides SMUD with capacity levels of 2.0 million Dth of storage inventory, ratcheted (12,500-14,000 Dth/day) volumes of injection rights and ratcheted (10,000 – 24,000 Dth/day) volumes of withdrawal capacity.

Power Purchase Agreements

SMUD has power purchase agreements to help meet its power requirements. Some of these agreements are described below.

Western Area Power Administration. Effective January 1, 2005, SMUD entered into a 20-year contract with WAPA. SMUD has entered into a replacement agreement extending the term by 30 years for the period of January 1, 2025 through December 31, 2054. Power sold under this contract is generated by the Central Valley Project ("CVP"), a series of federal hydroelectric facilities in northern California operated by the United States Bureau of Reclamation. The contract provides WAPA's CVP Base Resource customers (including SMUD) delivery of a percentage share of project generation in return for reimbursement of an equivalent share of project costs. SMUD's CVP Base Resource share is roughly 25% of project generation and costs. This is expected to be approximately 318 MW of capacity and 661 GWh of energy in an average water year but will vary depending on precipitation. Energy available under the contract is determined by water releases required for water supply and flood control and is then shaped into higher value periods within other CVP operating constraints. More capacity and energy are typically available in spring and summer months and less in fall and winter.

SMUD also had a contract with WAPA that expired on December 31, 2024, by which WAPA delivered additional power from projects located in the Pacific Northwest based on certain contractual parameters. SMUD has entered into a replacement agreement with WAPA for the period January 1, 2025, through December 31, 2030. In 2025, SMUD received 483 GWh of energy under this new contract.

Patua Project LLC. In April 2010, SMUD entered into a power purchase agreement with Patua Project LLC, a subsidiary of Gradient Resources, for the delivery of up to 132 MW (expected to be 120 MW nominal power output) of renewable energy from geothermal generation being developed in north central Nevada, from a Gradient Resources project known as the Patua Project. The Patua Project was to have been developed in three phases. In November 2015, the Patua Project was acquired by TL Power, LLC, a wholly owned subsidiary of Cyrq Energy, Inc. (“Cyrq”). Since 2010, the agreed upon capacity of the Patua Project has been reduced several times. SMUD’s reduced obligation to take power from the Patua Project is 19 MW.

Renewable Energy Feed-In Tariff. In September 2009, SMUD’s Board authorized a feed-in tariff program for the purchase of renewable energy from local renewable energy projects connected to SMUD’s distribution system. SMUD’s Board authorized connection of up to 100 MW under the feed-in tariff which included standard payment rates and standard purchase terms for power. The feed-in tariff program became effective on January 1, 2010. Under the feed-in tariff, SMUD has executed 20-year term power purchase agreements for solar projects totaling 98.5 MW. Construction and start-up were completed on all projects between 2010 and 2012.

CalEnergy LLC. In August 2014, SMUD entered into a 22-year power purchase agreement with CalEnergy LLC for the purchase of 30 MW per year of renewable energy from its Salton Sea geothermal facilities. As of July 1, 2017, SMUD began receiving up to 10 MW from the CalEnergy portfolio, which escalated to the full 30 MWs on May 1, 2020.

Rancho Seco Solar. In October 2015, SMUD entered into a 20-year power purchase agreement with Rancho Seco Solar LLC for the purchase of energy from a 10.88 MW solar PV project sited on SMUD’s property at the closed Rancho Seco Nuclear Generating Station. Commercial operation was achieved in August of 2016. Rancho Seco Solar LLC leases the property from SMUD under a land lease agreement. The output of this project directly serves two large commercial customers that executed agreements with SMUD for retail supply of solar power.

In May 2019, SMUD entered into a 30-year power purchase agreement for an additional 160 MW solar PV project with Rancho Seco Solar II, LLC. The project is located on SMUD-owned property at the closed Rancho Seco Nuclear Generating Station, adjacent to the existing 10.88 MW solar PV project. Construction began in 2019, and the project became commercially operable in February 2021.

Grady Wind Energy. In October 2015, SMUD entered into a 25-year power purchase agreement with Grady Wind Energy LLC (“Grady”) for the purchase of energy from a 200 MW wind project located in New Mexico (the “Grady Project”). The Grady Project began commercial operations on August 5, 2019. Energy from the Grady Project is delivered to CAISO. SMUD purchases 100% of the Grady Project output which includes energy, renewable energy credits, and capacity attributes.

Great Valley Solar 2, LLC. In January 2017, SMUD entered into a 20-year power purchase agreement with Great Valley Solar 2, LLC for the purchase of energy from a 60 MW solar PV project located in Fresno County, California. The project’s commercial operation date was December 28, 2017.

ARP-Loyalton Cogen LLC. On September 14, 2016, Senate Bill 859 (“SB 859”) was signed into law. Under SB 859, a POU must procure its proportionate share of 125 MW of renewable energy from biomass plants burning high hazard forest fuels, subject to terms of at least five years. Seven POUs (SMUD, MID, Turlock Irrigation District (“TID”), Anaheim Public Utilities, Imperial Irrigation District, Los Angeles Department of Water & Power and Riverside Public Utilities, collectively described herein as the “ARP-Loyalton POUs”) jointly solicited proposals for up to 29 MW of contract capacity for renewable energy to meet the requirements of SB 859. In January 2018, SMUD entered into a five-year power

purchase agreement with ARP-Loyalton Cogen LLC to fulfill 18 MW of the required 29 MW with SMUD's share being just over 23 percent (the "ARP-Loyalton PPA"). See "*Roseburg Forest Product Co.*" below for a discussion of the remaining SB 859 capacity. The contract became effective on April 1, 2018. On February 18, 2020, ARP-Loyalton Cogen LLC filed for Chapter 11 bankruptcy and stopped producing and selling energy from the biomass plant. On May 7, 2020, the bankruptcy court approved the sale of the Loyalton facility to Sierra Valley Enterprises, LLC ("SVE"). SVE initially expressed interest in bringing the facility back into service; however, the bankruptcy trustee requested repeated extension of the deadline for SVE to accept or reject the ARP-Loyalton PPA. The latest deadline was April 19, 2023, the date of expiration of the ARP-Loyalton PPA term. As SVE did not resume operations before the end of the ARP-Loyalton PPA term, the ARP-Loyalton POUs have negotiated a settlement agreement with the bankruptcy trustee (the "ARP-Loyalton Settlement Agreement"). The ARP-Loyalton Settlement Agreement, which SMUD executed and is filed with the court, defines funds from the performance security that the ARP-Loyalton POUs will keep to cover legal and administrative fees, along with a contingency amount to cover potential risk of future damages. Since the ARP-Loyalton POUs entered into a five-year agreement to procure compliant biomass and provided SVE the opportunity to accept the ARP-Loyalton PPA and restart operations, the ARP-Loyalton POUs consider their statutory obligations to have been fulfilled.

Roseburg Forest Products Co. For the remaining SB 859 biomass obligation of 11 MW, SMUD and the other ARP-Loyalton POUs have entered into a five-year power purchase agreement with Roseburg Forest Products Co. SMUD's share of the contract capacity is 2.5795 MW, and the plant began operating under the contract on February 26, 2021.

Sutter Energy Center. SMUD entered into an initial two-year contract (with a third-year exercisable option) with Calpine Energy Services, L.P. ("Calpine") for the ability to schedule up to 258 MW of energy from Sutter Energy Center. The Sutter Energy Center is a natural gas-fired, combined-cycle facility located in Yuba City, California. The initial contract became effective on April 1, 2018. SMUD exercised its option to extend the contract, which expired November 1, 2020. SMUD entered into a new contract with Calpine for the same 258 MW of energy that became effective January 1, 2021, and had an original expiration date of January 1, 2024. In December 2023, SMUD extended this contract through December 31, 2026.

Drew Solar, LLC. In June 2018, SMUD entered into a 30-year power purchase agreement with Drew Solar, LLC for the purchase of energy from a 100 MW solar PV project located in Imperial County, California. The project's scheduled commercial operation date was set to be December 31, 2021. The commercial operation date was delayed due to Force Majeure claims surrounding the COVID pandemic and supply chain constraints caused by changes in Federal regulatory requirements. The project began commercially operating on November 3, 2022.

Wildflower Solar. In October 2018, SMUD entered into a 25-year power purchase agreement with Wildflower Solar I, LLC, for the purchase of energy, capacity, and RECs from a 13 MW solar PV project located in Rio Linda, California. The project began commercially operating on December 18, 2020.

Coyote Creek (Formerly Sacramento Valley Energy Center, LLC.) In August 2021, SMUD entered into a 30-year power purchase agreement with Sacramento Valley Energy Center, LLC for the purchase of energy from a 200 MW solar PV and 100 MW four-hour Battery Energy Storage System ("BESS") capacity project located in Sacramento County, California. The project's commercial operation date was originally expected to be December 31, 2023, but has been delayed to 2028 due to ongoing development and permitting delays. Effective February 4, 2026, this power purchase agreement was terminated.

SloughHouse Solar, LLC. In September 2021, SMUD entered into a 30-year power purchase agreement with SloughHouse Solar, LLC for the purchase of energy from a 50 MW solar PV project located in Sacramento County, California. The project’s commercial operation date was originally expected to be December 31, 2023, but the commercial operation date was delayed due to ongoing development and permitting delays. The Sloughhouse Solar Project began construction in 2024, and the project began commercially operating on July 14, 2025.

Country Acres Solar. In November 2023, SMUD entered into a 30-year power purchase agreement with Country Acres Clean Power LLC for the purchase of energy from a 344 MW solar PV project, with a 20-year term for 172 MW four-hour BESS capacity, located in Placer County, California. The project’s commercial operation date is expected to be between December 2026 and April 2027. The Country Acres Project began construction in 2024.

Geysers Power Company, LLC. In March 2021, SMUD executed a 10-year power purchase agreement with Geysers Power Company, LLC for 100 MW of energy and capacity from the Geysers geothermal energy plant located in Lake and Sonoma Counties, California. SMUD started to receive deliveries on January 1, 2023. In November 2025, SMUD executed an amendment and extension of the original power purchase agreement. The amendment extends the term from December 31, 2032 to December 31, 2042. In 2028 and 2029, the original 100 MW of energy and capacity will increase to 125 MW of energy and capacity. In 2030 through the end of the agreement, the 125 MW of energy and capacity will increase to 150 MW of energy and capacity.

Grace Orchard Energy Center, LLC. In July 2024, SMUD entered into a 20-year power purchase agreement with Grace Orchard Energy Center, LLC for the purchase of 70 MW from the project located in Riverside County, California. The Grace Orchard Energy Center project is expected to begin operations in December 2027. The power purchase agreement includes energy and RECs from the project. The seller will seek CAISO Transmission Project (“TP”) Deliverability for the project. If TP Deliverability is received, the agreement will also include capacity.

SunZia Wind PowerCo LLC. In December 2024, SMUD entered into a 15-year power purchase agreement with SunZia Wind PowerCo LLC for the purchase of 150 MW from the SunZia Wind Project, which is located in New Mexico and expected to begin operations in 2026. Energy from the SunZia Wind Project will be delivered to CAISO. The power purchase agreement includes energy, capacity, and RECs from the project. In September 2025, the original power purchase agreement was bifurcated into SunZia North and SunZia South. SunZia North will provide 45 MW while SunZia South will provide 105 MW.

Hatchet Ridge Wind, LLC. In December 2024, SMUD entered into a 7-year power purchase agreement with Hatchet Ridge Wind, LLC for energy, capacity, and RECs from the Hatchet Ridge Wind Project. The 101.2 MW project is located near Burney, CA and began commercial operations in 2010. The contract start date was December 14, 2025.

Sanborn 2 Solar. SMUD has entered into a contract with Sanborn 2 PV I, LLC (“S2PVI”) with an effective date of October 4, 2024. The agreement provides for the purchase of RECs associated with energy generated by the 46 MW Sanborn 2 solar project located in Mojave, California. The contract term begins on the scheduled commercial operation date of January 1, 2027, and continues through December 31, 2034. Under the terms of the agreement, SMUD will receive RECs associated with bundled energy generated during the delivery period; however, S2PVI retains all revenues from energy sales, and SMUD will be obligated only to pay for the RECs. The RECs procured under this agreement are expected to contribute toward SMUD’s renewable energy goals and support long-term resource planning objectives.

Dry Creek Energy Storage, LLC. In May 2025, the Board authorized the execution of an energy storage power purchase agreement with Dry Creek Energy Storage, LLC for an initial 20-year term with one optional five-year extension for the purchase of energy from a 160 MW four-hour BESS capacity, located in Sacramento County, California. The project's commercial operation date is expected to be September 30, 2027. The Dry Creek Energy Storage Project is scheduled to begin construction in 2026.

Oveja Ranch Solar Project. In summer 2025, SMUD issued a RFO seeking qualified power purchase agreement offers for a utility scale PV with BESS project under development which will interconnect to SMUD's distribution system. The project site is located on over 500 acres of land in Sacramento County near the city of Rancho Cordova. SMUD has completed permitting and purchased interconnection equipment to support an expected commercial operation date of 2029 or later.

Transmission Service Agreements

TANC California-Oregon Transmission Project. The 340-mile COTP is one part of a three 500-kV line coordinated system known as the California-Oregon Intertie ("COI"). The COTP was allocated one-third of the 4,800 MW capability of the COI system (see related agreements below). TANC was entitled to use 1,390 MW and is obligated to pay approximately 80% of the operating costs of the COTP. SMUD is a member of TANC and a party to Project Agreement No. 3 ("PA3"), under which it was entitled to 383 MW and obligated to pay on an unconditional take-or-pay basis about 27.6% of TANC's COTP debt service and operations costs, subject to a "step-up" obligation of up to 25% of its entitlement share upon the un-remedied default of another TANC member-participant. In 2009, SMUD entered into a long-term layoff agreement with certain members that increased SMUD's entitlement by 35 MW. In 2014, SMUD entered into another long-term layoff agreement with certain other members that increased SMUD's COTP entitlements by 128 MW and amended the 2009 layoff agreement that returned 13 MW to a member. In January 2024, SMUD entered into an agreement to extend the 2009 long-term layoff agreement with certain members to January 31, 2034. On April 1, 2025, the COI was re-rated to a capacity of 5,100 MW, proportionately increasing the amount of the COTP's capacity to 1,700 MW. The amount of COTP capacity available to TANC was also proportionately increased. Including layoffs from other TANC members, SMUD's current entitlement is approximately 569 MW of TANC's transfer capability for imports, and SMUD is obligated to pay approximately 37.8% of TANC's COTP debt service and operations costs.

SMUD's payments under this contract, like SMUD's payments under its other power purchase and transmission service agreements, are treated as "Maintenance and Operation Costs" or "Energy Payments" under the resolutions securing the Senior Bonds and Subordinated Bonds (each as defined under the caption "CAPITAL REQUIREMENTS AND OUTSTANDING INDEBTEDNESS" below). SMUD relies on its COTP rights to purchase power, access contingency reserves through the Western Power Pool, and obtain renewable resources to supplement its own resources to serve its load. TANC maintains its own property/casualty insurance program. TANC's budget is about \$48.8 million for 2026. SMUD's obligation of the TANC budget is about \$18.5 million for 2026.

TANC Tesla-Midway Transmission Service. TANC has a long-term contract with PG&E to provide TANC with 300 MW of transmission service between PG&E's Midway Substation and the electric systems of the TANC Members (the "Tesla-Midway Service"). SMUD's share of the Tesla-Midway Service is 46 MW.

Bonneville Power Administration. In 2009, SMUD entered into a transmission service agreement with the Bonneville Power Administration ("BPA") for 60 MW of firm point-to-point transmission service from BPA's Hilltop substation in northeastern California to the Malin substation at the California-Oregon border for the purpose of transmitting power under SMUD's power purchase agreement relating to the Patua Project over BPA's 230kV transmission lines. See "POWER SUPPLY AND TRANSMISSION –

Power Purchase Agreements – *Patua Project LLC*.” On January 1, 2020, SMUD’s transmission rights with BPA were reduced to 19 MW. This now aligns with SMUD’s PacifiCorp transmission rights of 19 MW described in the immediately following paragraph.

PacifiCorp. In 2009, SMUD entered into a transmission service agreement with PacifiCorp for 60 MW of firm point-to-point transmission service across PacifiCorp’s high voltage step-up transformer at the Malin substation at the California-Oregon border for the purpose of transmitting power under SMUD’s power purchase agreement relating to the Patua Project. As a result of the reduced obligation to take power from the Patua Project, SMUD has reduced its remaining PacifiCorp transmission service from 30 MW to 19 MW.

Western Area Power Administration. SMUD does not have a direct interconnection of its power system to the COTP. To receive power deliveries that use its COTP rights, SMUD has a long-term transmission service agreement with WAPA for transmission of 342 MW of power from the COTP line (received at WAPA’s Tracy or Olinda substations) to SMUD’s system. In May of 2011, WAPA completed the Sacramento Voltage Support Transmission Project. Completion of this project has given SMUD an additional 165 MW of transmission service rights on WAPA’s system from the COTP at the Olinda Substation to SMUD’s system at the Elverta Substation.

Projected Resources

The following tables titled “Projected Requirements and Resources to Meet Load Requirements Energy Requirements and Resources” (the “Energy Table”) and “Capacity Requirements and Resources Net Capacity – Megawatts” (the “Capacity Table”) describe SMUD’s contracted commitments and owned resources available to meet its forecasted load requirements through the year 2035. Resources are shown on an annualized basis with market purchases netted against surplus sales to arrive at a single net position for each year. Because SMUD’s available resources do not exactly match its actual load requirements on an hourly basis, there are times during a year when resources available will either exceed or be insufficient to meet SMUD’s needs. Expected actual capacity values are included in the tables. These values may differ from measured net demonstrated capacity values of the Local Area Gas-Fired Plants. The table below also includes the impact energy efficiency has on resource requirements as discussed below under “Demand Side Management Programs.” See “BUSINESS STRATEGY” and “POWER SUPPLY AND TRANSMISSION – Power Generation Facilities – *Local Gas-Fired Plants*.”

Resources listed in both the Energy Table and the Capacity Table are listed as either renewable or non-renewable. Generally, SMUD follows the CEC guidelines for eligibility requirements. Some of SMUD’s renewable resources listed include solar, wind, geothermal, small hydroelectric facilities with a capacity of 30 MW or less, and biomass (representing generation from a fuel comprised of agricultural wastes and residues, landscape and tree trimmings, wood and wood waste).

As in any forecast, assumptions are made. In both the Energy Table and the Capacity Table the WAPA and UARP forecasts assume average water conditions throughout the period. On the capacity table, WAPA and Cosumnes Power Plant renewable capacity is estimated based on the ratio of renewable energy to total WAPA or Cosumnes Power Plant energy. See “POWER SUPPLY AND TRANSMISSION – Power Generation Facilities – *Hydroelectric*.”

The Uncommitted Purchases (Sales) on the tables represent either anticipated future needs or surpluses. Future needs are met well in advance of delivery. They also include both renewable and non-renewable resources.

The Transmission Losses represent reductions in the amount of energy or capacity from the location it was purchased to the point of entering SMUD's electrical system. This amount reduces the Total Resources available to meet the Total Projected Energy Requirements of the electrical system.

Demand Side Management Programs

SMUD's demand-side management initiatives represent an integral element of its total resource portfolio, and are organized into four major portfolios: energy efficiency and building electrification, load flexibility, electric transportation, and green pricing programs. Energy efficiency offerings include a variety of programs and services to customers to retrofit or upgrade existing equipment and fixtures and to install new energy efficiency measures in existing and new construction facilities, while building electrification measures like heat pumps also bring more efficient summertime air conditioning. Load flexibility allows SMUD to reduce the load on the electric system by adjusting thermostats, dispatching customer batteries, cycling residential air conditioning, managing electric vehicle charging and calling upon commercial/industrial customers to curtail energy usage when energy is constrained during the summer or system emergencies. Load flexibility programs are projected to allow SMUD to shed approximately 90 MW of peak load in an emergency on a hot day, representing about 3% of SMUD's maximum system peak demand.

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**PROJECTED REQUIREMENTS AND RESOURCES TO MEET
LOAD REQUIREMENTS
ENERGY REQUIREMENTS AND RESOURCES (GWh)⁽¹⁾**

	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Renewable Resources										
SMUD Owned										
UARP – Small Hydro ⁽²⁾	97	90	96	95	93	93	93	93	93	93
Solano Wind	778	797	800	793	936	936	938	936	936	936
Purchases										
Western (WAPA) – Small Hydro ⁽²⁾	20	18	18	18	15	15	15	15	15	15
Patua (Gradient/Vulcan) – Geothermal	146	146	147	146	146	146	147	140	0	0
Cal Energy – Geothermal	223	223	224	223	223	223	224	223	223	223
Geysers – Geothermal	876	876	1,098	1,095	1,314	1,314	1,318	1,314	1,314	1,314
Grady - Wind	897	897	899	897	934	934	936	934	934	934
Hatchet Ridge – Wind	270	270	271	270	288	288	288	264	0	0
Sunzia – Wind	395	488	489	488	473	473	475	473	473	473
Recurrent SolarShares	165	164	163	162	166	165	165	164	163	162
Rancho Seco (1&2) - Solar	350	348	347	345	344	342	341	339	337	335
Feed-in-Tariff Photovoltaic - Solar	207	206	205	204	203	202	60	0	0	0
Wildflower – Solar	31	31	30	30	31	31	31	30	30	30
Navajo - Solar	297	296	295	293	302	300	299	297	296	294
Sloughhouse – Solar	131	130	130	129	124	124	124	123	122	121
Country Acres – Solar Hybrid	0	540	659	655	761	757	755	749	745	742
Oveja Ranch - Solar	0	0	0	164	164	164	164	164	164	164
Grace Solar	0	10	206	205	201	200	199	198	197	196
Other Long-Term Contracts	97	86	87	6	6	6	6	6	6	6
Future Uncommitted Renewables	0	0	0	0	2,163	4,405	4,412	5,433	5,654	6,485
Total Renewable Resources	4,980	5,617	6,163	6,218	8,886	11,118	10,990	11,895	11,702	12,524
Carbon Free Non-Renewable Resources										
SMUD Owned										
Cosumnes–Shell Landfill Gas and Digester Gas	62	58	58	58	687	683	690	645	645	645
UARP – Large Hydro ⁽²⁾	1,610	1,553	1,424	1,420	1,408	1,408	1,412	1,408	1,408	1,408
Purchases										
Western (WAPA) – Large Hydro ⁽²⁾	649	581	579	577	641	641	643	641	641	641
Western (WAPA) Customers (Wheeling) ⁽²⁾	39	35	35	35	20	20	20	20	20	20
Committed Purchases	0	0	0	0	0	0	0	0	0	0
Future Uncommitted Carbon Free	0	0	0	0	2,342	2,337	2,342	2,306	2,306	2,306
Total Carbon Free Non-Renewable Resources	2,360	2,226	2,096	2,090	5,098	5,089	5,107	5,021	5,021	5,021
Non-Renewable Resources										
SMUD Owned										
Cosumnes Power Plant	4,344	4,014	4,069	4,031	0	0	0	0	0	0
Procter & Gamble Power Plant	669	747	585	548	0	0	0	0	0	0
Carson Power Plant	318	375	280	228	0	0	0	0	0	0
Campbell Power Plant	627	682	533	448	0	0	0	0	0	0
McClellan Power Plant	1	12	16	10	0	0	0	0	0	0
Purchases										
Calpine Sutter	1,247	1,395	1,028	798	0	0	0	0	0	0
Total Non-Renewable Resources	7,206	7,225	6,512	6,065	0	0	0	0	0	0
Total Resources	14,545	15,068	14,771	14,373	13,984	16,206	16,097	16,916	16,723	17,544
Uncommitted Purchases / (Sales)	(3,369)	(3,712)	(3,177)	(2,609)	(1,970)	(4,002)	(3,634)	(4,220)	(3,726)	(4,097)
Transmission Losses (COTP/CVP)	(17)	(11)	(1)	(1)	(16)	(16)	(16)	(16)	(13)	(13)
Battery Storage (Utility)	0	(42)	(84)	(84)	(110)	(111)	(112)	(122)	(123)	(129)
Total Projected Energy Requirements	11,159	11,303	11,510	11,679	11,889	12,077	12,334	12,557	12,860	13,305
Energy Efficiency (EE)	9	12	17	24	29	33	39	44	50	59
Customer PV	106	155	202	250	297	343	389	434	479	523
Expected Electric Vehicle (EV) Charging	(217)	(348)	(489)	(636)	(796)	(938)	(1,099)	(1,269)	(1,467)	(1,654)
Electric Building (EB)	(33)	(57)	(86)	(125)	(175)	(234)	(301)	(372)	(445)	(520)
Battery Storage (BTM)	(1)	(1)	(2)	(2)	(3)	(3)	(4)	(5)	(6)	(7)
Total Gross Energy Requirements before EE, PV and EV Charging	11,023	11,063	11,152	11,191	11,240	11,277	11,357	11,390	11,471	11,707

⁽¹⁾ Totals may not sum due to rounding. Excludes a potential carbon sequestration power purchase agreement that SMUD is considering.

⁽²⁾ 2026 based on current precipitation levels as of December 31, 2025. All other years assume average precipitation.

CAPACITY REQUIREMENTS AND RESOURCES
NET CAPACITY – MEGAWATTS⁽¹⁾

	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Load:										
Planned Peak	3,133	3,134	3,136	3,135	3,157	3,169	3,185	3,204	3,225	3,248
Transmission Losses	29	29	29	29	28	28	28	28	28	28
Dispatchable Demand Resource	(94)	(94)	(93)	(92)	(174)	(147)	(167)	(186)	(204)	(244)
Adjusted Peak	3,068	3,068	3,072	3,072	3,011	3,050	3,045	3,045	3,049	3,032
Reserve Margin	537	537	538	538	527	534	533	533	534	531
Adjusted Peak with Reserves	3,605	3,605	3,609	3,609	3,538	3,583	3,578	3,578	3,583	3,563
Renewable Resources										
<u>SMUD Owned</u>										
UARP – Small Hydro	45	45	45	45	45	45	45	45	45	45
Solano Wind	115	132	134	134	149	145	144	143	146	151
<u>Purchases</u>										
Western (WAPA) – Small Hydro	10	9	9	9	9	9	9	9	9	9
Patua (Gradient/Vulcan) – Geothermal	12	12	12	12	12	12	12	12	--	--
Cal Energy – Geothermal	26	26	26	26	30	30	30	30	30	30
Geyers – Geothermal	100	100	125	125	150	150	150	150	150	150
Grady – Wind	81	92	86	79	78	77	82	89	87	93
Hatchet Ridge - Wind	25	30	31	30	35	33	33	--	--	--
Sunzia - Wind	--	--	56	55	58	50	47	45	43	49
Recurrent Solar Shares	30	18	18	18	8	8	7	7	8	6
Rancho Seco (1&2) - Solar	60	28	161	161	160	161	161	160	161	160
Feed-in-Tariff Photovoltaic - Solar	29	11	12	11	4	3	--	--	--	--
Wildflower - Solar	3	2	1	2	1	1	1	1	1	1
Navajo - Solar	42	20	19	20	6	8	7	8	10	5
Sloughhouse - Solar	34	22	22	21	10	10	9	9	9	8
Oveja Ranch – Solar	--	--	--	55	55	55	55	55	55	55
Country Acres - Solar Hybrid	--	282	289	283	212	213	211	210	213	207
Other Long-Term Contracts	14	14	14	2	--	--	--	--	--	--
Future Uncommitted Renewables	--	--	--	--	55	235	243	399	400	407
Total Renewable Resources	623	841	1,059	1,088	1,075	1,244	1,245	1,372	1,365	1,377
Carbon Free Non-Renewable Resources										
<u>SMUD Owned</u>										
Cosumnes – Shell Landfill Gas and Digester Gas	--	--	--	--	576	576	576	576	576	576
Carson Power Plant ⁽²⁾	--	--	--	--	103	103	103	103	103	103
Procter & Gamble Power Plant ⁽²⁾	--	--	--	--	166	166	166	166	166	166
UARP - Large Hydro	656	656	656	656	640	640	640	640	640	640
Hedge - Storage	4	4	4	4	4	4	4	4	4	4
<u>Purchases</u>										
Western (WAPA) – Large Hydro	309	304	304	304	304	304	304	304	304	304
Western (WAPA) Customers (Wheeling)	18	18	18	18	18	18	18	18	18	18
Future Uncommitted Carbon Free	--	--	--	--	445	445	445	483	483	483
Total Carbon Free Non-Renewable Resources	987	981	981	981	2,256	2,256	2,256	2,294	2,294	2,294
Non-Renewable										
<u>SMUD Owned</u>										
Cosumnes Power Plant	576	576	576	576	--	--	--	--	--	--
Carson Power Plant	103	103	103	103	--	--	--	--	--	--
Procter & Gamble Power Plant	166	166	166	166	--	--	--	--	--	--
McClellan Power Plant	72	72	72	72	--	--	--	--	--	--
Campbell Power Plant	170	170	170	170	--	--	--	--	--	--
<u>Purchases</u>										
Calpine Sutter	258	258	258	258	--	--	--	--	--	--
Firm Contract Reserves ⁽³⁾	17	17	17	17	17	17	17	17	17	17
Committed Purchases	460	60	10	10	--	--	--	--	--	--
Total Non-Renewable Resources	1,822	1,422	1,372	1,372	17	17	17	17	17	17
Total Variable Renewable Diversity Benefit/(Risk)	55	183	200	209	375	383	402	400	397	429
Uncommitted Purchases / (Sales)	118	177	--	--	--	--	--	--	--	--
Total Resources	3,605	3,603	3,612	3,650	3,722	3,900	3,920	4,083	4,072	4,116

⁽¹⁾ Values provided for July (SMUD's peak month). Based on information available as of December 31, 2025. Totals may not sum due to rounding. Capacity values for wind, solar, storage, and future variable renewable projects shown are based on resource ELCC modeling. Excludes a potential carbon sequestration power purchase agreement that SMUD is considering.

⁽²⁾ Assumes resource is fueled with existing renewable natural gas supply. See "POWER SUPPLY AND TRANSMISSION – Fuel Supply – *Renewable Natural Gas Supply*."

⁽³⁾ SMUD assumes that for all firm system purchases, the suppliers will be planning 5% reserves.

Balancing Authority Area Agreements

Background. SMUD began operating as an independent control area, later termed a Balancing Authority, on June 18, 2002 within the WECC reliability organization's region. This reduced SMUD's exposure to the costs and reliability risks of the CAISO's markets. SMUD expanded its operational footprint beyond SMUD's service territory to include WAPA's electric system, including the MID, Roseville, and Redding service areas (on January 1, 2005) and the COTP (on December 1, 2005). As described further below, SMUD ceased to be the Balancing Authority on April 30, 2011, as BANC took SMUD's place as the Balancing Authority. SMUD remains the operator of the Balancing Authority through a contract with BANC. SMUD administers the contracts with WAPA and TANC to provide specified Balancing Authority-related and other services, and is compensated by WAPA and TANC. TANC recovers such Balancing Authority services costs as a part of its annual operating budget from the COTP Participants and WAPA recovers its Balancing Authority services costs through its rates for power and transmission service. The agreement with WAPA, among other terms, establishes operating procedures and reserve obligations between the parties and terminates on December 31, 2026. WAPA in turn has agreements with electric systems connected to it to assure that such systems also operate reliably (i.e., MID, Roseville and Redding). As a result of the transition to BANC as the Balancing Authority, SMUD assigned or terminated its interconnection and operations agreements with other interconnecting Balancing Authority areas (i.e., CAISO, BPA and TID). BANC is now the party to these agreements as they primarily address only Balancing Authority matters required for compliance with the reliability standards issued by the North American Electric Reliability Corporation ("NERC"), such as emergency assistance arrangements. See also "OTHER FACTORS AFFECTING THE ELECTRIC UTILITY INDUSTRY – Western Energy Imbalance Market."

Reliability Standards. The Energy Policy Act of 2005 gave FERC authority to enforce reliability standards for the bulk electric system. In June 2007, these standards became mandatory for SMUD and BANC.

In 2025, SMUD and BANC underwent a combined NERC/WECC audit to evaluate compliance with applicable reliability standards. These audits occur every three years. At the conclusion of the audit, regulators determined that neither entity had any compliance violations related to the Operations and Planning or Critical Infrastructure Protection Standards.

Balancing Authority of Northern California. SMUD, MID, Redding and Roseville executed a Joint Exercise of Powers Agreement (the "BANC JPA Agreement") creating BANC on May 8, 2009. BANC became operational on May 1, 2011 as a Balancing Authority and replaced SMUD as the entity responsible for Balancing Authority-related reliability standards. Since that time, the Trinity Public Utilities District and the City of Shasta Lake have also become members of BANC. As provided in the BANC member agreement, liability for penalties associated with such Balancing Authority-related reliability standards are shared on a *pro rata* basis among the members of BANC. SMUD is the Balancing Authority operator under contract and performs Balancing Authority operational functions on behalf of BANC, much as it did when it was the Balancing Authority. The BANC JPA Agreement assigns cost responsibility based on member load within the BANC Balancing Authority, with SMUD representing approximately 70% of the total load.

Western Power Pool Agreement

The Western Power Pool ("WPP") is an agreement among over 30 utilities and public agencies in the western United States to coordinate contingency reserve sharing, referred to as the WPP Reserve Sharing Program ("RSP"). The RSP permits participants to rely on one another in the event that any participant experiences a generating resource outage. While SMUD became an RSP participant in 2009,

participation is limited to Balancing Authorities, which SMUD relinquished to BANC in 2011. Under the RSP, BANC and TID (also a WPP member) share their reserve amounts and when necessary and when sufficient unused COTP rights and capacity are available, may call upon WPP reserves from the RSP member systems in the Pacific Northwest. The WPP RSP permits members to operate more efficiently by reducing the contingency reserves that they would otherwise need to have available if they could not rely on each other.

Other Interconnection Agreements

Background. SMUD's electric system was originally purchased from PG&E in 1946. SMUD's service area is mostly surrounded by PG&E's and WAPA's service areas. The SMUD and PG&E electric systems are interconnected at SMUD's Rancho Seco and Lake 230-kV substations. SMUD and WAPA are interconnected at SMUD's Hurley, Elverta, Natomas and Folsom 230-kV substations.

PG&E Interconnection Agreement. PG&E and SMUD executed a Replacement Interconnection Agreement ("RIA") which became effective on January 1, 2010. The RIA provides that SMUD and PG&E operate their interconnections reliably, plan their electric systems to meet their load requirements, and avoid or mitigate impacts they cause by certain electric system modifications. The agreement had an original termination date of December 31, 2024, which was extended through December 31, 2025 to allow PG&E to complete a settlement process with TID as described below. SMUD and other northern California utilities have similar interconnection agreements with PG&E, albeit with different expiration dates. PG&E filed a successor interconnection agreement with one of these utilities, TID, on November 1, 2023, to become effective on January 1, 2024. Many interconnection customers, including SMUD, intervened and submitted comments or protests in the FERC docket. TID and PG&E held settlement discussions, in which SMUD participated as a stakeholder, and ultimately agreed on a successor interconnection agreement that was filed at FERC for approval on April 17, 2025. PG&E used this settlement agreement as the template for the successor interconnection agreement with SMUD, which the parties negotiated to preserve the prior agreement's material terms and conditions, albeit with certain clarifications, and maintains the balance of burdens and benefits consistent with FERC's standard of requiring rates and terms of service that are just and reasonable. PG&E filed the negotiated revised interconnection agreement with FERC on October 24, 2025, proposing to extend the term of the RIA until 2040. FERC approved the filing on December 19, 2025, effective January 1, 2026.

PG&E Generator Interconnection Agreements. SMUD signed a Large Generator Interconnection Agreement ("LGIA") with CAISO and PG&E for the Solano 3 Wind Project, effective December 16, 2008, with a 50-year term. The Solano 2 Wind Project has interconnection rights granted through a LGIA, also with the CAISO and PG&E. The agreement became effective in January 2010 and has a term of 20 years. On June 3, 2021, SMUD entered into a LGIA with the CAISO and PG&E, for the Solano 4 Wind project with a 10-year term and automatic renewal for successive one-year terms thereafter. On February 27, 2023, SMUD completed a combined LGIA amendment administrative process which combines the Solano 2, 3 & 4 projects into one Solano Wind Project. The original agreement conditions for the individual projects are carried forward with a new combined project maximum production limit of 320.8 MW at the point of interconnection at the Russell Substation.

Other PG&E generator interconnection agreements include a Small Generator Interconnection Agreement with PG&E for Slab Creek with a 22-year term which became effective on January 14, 2010, and a Small Generator Interconnection Agreement with PG&E for the Chili Bar Project with a 10-year term which became effective on June 2, 2021.

WAPA Interconnection Agreement and other WAPA Agreements. SMUD and WAPA executed an interconnection agreement on May 8, 2008 for a term of 40 years which establishes the terms and

conditions under which the SMUD and WAPA transmission systems are interconnected and memorializes related understandings. SMUD is working with WAPA on a reconfiguration at the shared Elverta interconnection to increase reliability and accommodate new generation interconnection in the area. SMUD has other agreements with WAPA including for operation of the Sutter Energy Center generating facility, communication systems terms and fiber optic access, training and for use of WAPA labor and heavy equipment to assist SMUD's maintenance activities on an as-available basis.

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SELECTED OPERATING DATA

Selected operating data of SMUD for the four years ended December 31, 2022 through 2025 are presented in the following table.

SMUD SELECTED OPERATING DATA CUSTOMERS, SALES, SOURCES OF ENERGY AND REVENUES

	Year Ended December 31,			
	2025	2024	2023	2022
<u>Customers at End of Period:</u>				
Residential	604,239	596,785	588,308	576,471
Commercial and industrial	70,739	70,468	70,147	69,512
Other	7,243	7,257	7,253	7,290
Total	682,221	674,510	665,708	653,273
<u>MWh Sales:</u>				
Residential	4,779,217	4,992,375	4,676,766	4,763,277
Commercial and industrial	5,673,709	5,676,491	5,374,936	5,805,052
Other	52,140	52,335	52,660	53,965
Total	10,505,066	10,721,201	10,104,362	10,622,294
Surplus power/out of area sales	4,286,066	4,131,264	4,143,139	2,493,651
Total	14,791,132	14,852,465	14,247,501	13,115,945
<u>Sources of Energy Sold MWh:</u>				
Generated by SMUD	7,046,742	7,264,859	7,270,858	4,368,126
Purchased or exchanged	8,040,547	7,943,974	7,308,120	9,162,576
Total	15,087,289	15,208,833	14,578,978	13,530,702
Less System losses and SMUD usage	296,157	356,368	331,477	414,757
Total	14,791,132	14,852,465	14,247,501	13,115,945
Gross System peak demand (kW) ⁽¹⁾	2,797,000	3,147,000	3,059,000	3,263,000
Average kWh sales per residential customer ⁽²⁾	7,948	8,425	8,018	8,293
<u>Average Revenue per kWh Sold:</u>				
Residential ⁽²⁾ (cents)	18.91	17.86	16.87	16.73
Commercial & industrial ⁽²⁾ (cents)	16.33	15.53	15.00	13.97

- (1) Peak system MW values are measured at the four SMUD interconnection points and exclude SMUD's generation losses. Historical values include the impacts of dispatchable, non-dispatchable, and energy efficiency program capacity savings.
- (2) The average kWh sales per residential customer and the average revenue per kWh sold are calculated based upon billed and unbilled sales.

Source: SMUD

SELECTED FINANCIAL DATA

SMUD Financial Information

The following table presents selected financial data of SMUD. Under generally accepted accounting principles, data with respect to SMUD's component units, such as NCGA and NCEA, is included with that of SMUD. The following presents data for SMUD only and not its component units. [SMUD's audited financial statements for the years ended December 31, 2025 and December 31, 2024 are included in APPENDIX B attached to this Official Statement.] The following unaudited data for SMUD (excluding its component units) is drawn from SMUD's financial records that have been subjected to the auditing procedures applied in the audits of SMUD's and its component units' financial statements for the years ended December 31, 2022 through 2025.

SMUD FINANCIAL DATA⁽¹⁾
(thousands of dollars)

	Year Ended December 31,			
	2025	2024	2023	2022
Summary of Income				
Operating Revenues ⁽²⁾	\$ 2,112,582	\$1,953,510	\$1,918,854	\$2,138,655
Operating Expenses	(1,822,734)	(1,804,727)	(1,772,503)	(2,102,451)
Operating Income (Loss)	289,848	148,783	146,351	36,204
Interest and Other Income (Expense) .	142,770	165,955	145,035	124,480
Interest Expense	(68,618)	(70,251)	(73,275)	(74,702)
Change in Net Position	<u>\$ 364,000</u>	<u>\$ 244,487</u>	<u>\$ 218,111</u>	<u>\$ 85,982</u>
Selected Statement of Net Position Information				
Net Plant in Service	\$4,036,922	\$4,078,371	\$3,652,422	\$3,682,180
Construction Work in Progress	<u>775,338</u>	<u>520,435</u>	<u>587,722</u>	<u>323,499</u>
Electric Utility Plant – Net	<u>\$4,812,260</u>	<u>\$4,598,806</u>	<u>\$4,240,144</u>	<u>\$4,005,679</u>
Unrestricted Cash	\$ 701,169	\$ 499,098	\$ 534,157	\$ 591,410
Rate Stabilization Fund	\$ 350,173	\$ 345,389	\$ 212,131	\$ 156,016
Total Assets	\$7,857,807	\$7,279,955	\$6,610,818	\$6,447,908
Net Position	\$3,185,251	\$2,840,490	\$2,596,004	\$2,377,893
Long-Term Debt ⁽³⁾	\$2,591,844	\$2,488,137	\$2,305,156	\$2,236,824
Debt Service Coverage Ratios				
Parity Debt Service Coverage Ratio...	4.28x	3.32x	2.58x	1.86x
Parity and Subordinate Debt Service Coverage Ratio	3.96x	3.09x	2.44x	1.78x

(1) The financial statements of SMUD comprise financial information of SMUD along with its component units, such as NCGA and NCEA. This table includes only financial information of SMUD excluding its component units. Net operating revenues and expenses and Electric Utility Plant and Capitalization of SMUD's component units are not included in this table, although amounts paid to or received from the component units by SMUD are included. Effective October 1, 2025, an agreement between SMUD and the Sacramento Municipal Utility District Financing Authority transferred the operation and ownership of the Local Gas-Fired Plants to SMUD for operational and administrative efficiencies.

(2) Operating Revenues reflect net transfers to (from) the Rate Stabilization Fund for each full year as follows:
2025 (\$0.2) million
2024 \$133.3 million
2023 \$56.1 million
2022 (\$33.0) million

Transfers to the Rate Stabilization Fund reduce operating revenues in the year transferred; transfers from the Rate Stabilization Fund increase operating revenues. Transfers from the HGA balancing account in the Rate Stabilization Fund are automatic based on the amount of precipitation received. See "RATES AND CUSTOMER BASE – Rates and Charges" above.

(3) Long-Term Debt includes Long-Term Debt due within one year and unamortized premiums.

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Financial Information of SMUD and its Component Units

The following table presents a summary of selected financial information for SMUD and its component units (referred to in the table as, the “Authorities”).

SUMMARY OF FINANCIAL INFORMATION OF SMUD AND THE AUTHORITIES FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (thousands of dollars)

	Year Ended December 31, 2025			Year Ended December 31, 2024		
	SMUD	Authorities	Total ⁽¹⁾	SMUD	Authorities	Total ⁽¹⁾
Summary of Income						
Operating Revenues ⁽²⁾	\$ 2,112,582	\$ 270,644	\$ 2,120,746	\$ 1,953,510	\$ 353,608	\$1,962,101
Operating Expenses	(1,822,734)	(238,648)	(1,798,901)	(1,804,727)	(344,248)	(1,803,958)
Operating Income	289,848	31,996	321,845	148,783	9,360	158,143
Interest and Other Income	142,770	1,010	140,449	165,955	3,711	169,094
Interest Expense.....	(68,618)	(31,255)	(99,873)	(70,251)	(31,565)	(101,816)
Change in Net Position.....	\$ 364,000	\$ 1,751	\$ 362,421	\$ 244,487	\$ (18,494)	\$ 225,421
Selected Statement of Net Position Information						
Net Plant in Service	\$4,036,922	\$ --	\$4,034,128	\$4,078,371	\$ 257,473	\$4,048,848
Construction Work in Progress.....	775,338	--	775,338	520,435	7,304	527,739
Electric Utility Plant – Net	\$4,812,260	\$ --	\$4,809,466	\$4,598,806	\$ 264,777	\$4,576,587
Unrestricted Cash	\$ 701,169	\$ --	\$ 701,169	\$ 499,098	\$ 48,033	\$ 547,131
Rate Stabilization Fund	\$ 350,173	--	\$ 350,173	\$ 345,389	--	\$ 345,389
Total Assets	\$7,857,807	\$ 791,918	\$8,641,167	\$7,279,955	\$1,245,067	\$8,120,833
Net Position	\$3,185,251	\$ (7,917)	\$3,174,541	\$2,840,490	\$ 255,126	\$2,812,120
Long-Term Debt ⁽³⁾	\$2,591,844	\$ 781,432	\$3,373,276	\$2,488,137	\$ 901,187	\$3,389,324

⁽¹⁾ Financial information for SMUD and its component units, such as NCGA and NCEA, include intercompany balances. The financial information reflects balances after the elimination of intercompany accounts, including distributions to SMUD by the Authorities of \$3.3 million in 2025 and \$0.6 million in 2024. Effective October 1, 2025, an agreement between SMUD and the Sacramento Municipal Utility District Financing Authority transferred the operation and ownership of the Local Gas-Fired Plants to SMUD for operational and administrative efficiencies.

⁽²⁾ Operating Revenues reflect net transfers to (from) the Rate Stabilization Fund as follows:
2025 \$(0.2) million
2024 \$133.3 million

Transfers to the Rate Stabilization Fund reduce operating revenues in the year transferred; transfers from the Rate Stabilization Fund increase operating revenues. Transfers from the HGA balancing account in the Rate Stabilization Fund are automatic based on the amount of precipitation received. See “RATES AND CUSTOMER BASE – Rates and Charges” above.

⁽³⁾ Long-Term Debt includes Long-Term Debt due within one year and unamortized premiums.

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Management's Discussion of SMUD's Operating Results

Year Ended December 31, 2025. For the year ended December 31, 2025, SMUD reported an increase in net position of \$364.0 million as compared to an increase of \$244.5 million for 2024.

Operating revenues were \$159.1 million higher than 2024. This was primarily due to higher sales to customers (\$57.9 million), and lower transfers to the rate stabilization fund (\$141.0 million), partially offset by lower sales of surplus power (\$17.4 million), lower AB 32 revenue (\$12.8 million) and lower sales of surplus gas (\$5.9 million).

Operating expenses were \$18.0 million higher than 2024. This was primarily due to higher production operating expenses (\$36.8 million), depreciation (\$19.0 million), administrative and general expenses (\$16.8 million), customer service and information (\$12.3 million), transmission and distribution operating expenses (\$6.6 million), production maintenance expenses (\$6.5 million), and amortization of regulatory assets (\$3.2 million), partially offset by lower purchased power expenses (\$85.9 million).

Non-Operating income decreased by \$23.2 million primarily due to lower other income (\$36.0 million), partially offset by higher contributions in aid of construction (CIAC) revenue (\$6.7 million), higher interest and investment income (\$6.2 million).

Interest expense decreased \$1.6 million from 2024.

Year Ended December 31, 2024. For the year ended December 31, 2024, SMUD reported an increase in net position of \$244.5 million as compared to an increase of \$218.1 million for 2023.

Operating revenues were \$34.7 million higher than 2023. This was primarily due to higher sales to customers (\$178.3 million), AB 32 revenue (\$8.8 million), LCFS revenue (\$2.0 million), higher transmission and JPA operations revenues (\$1.6 million) and customer fees (\$1.6 million), partially offset by higher transfers to the rate stabilization fund (\$79.0 million), lower sales of surplus power (\$57.7 million), and lower sales of surplus gas (\$23.8 million).

Operating expenses were \$32.2 million higher than 2023. This was primarily due to higher administrative and general expenses (\$51.5 million), public good expenses (\$9.4 million), customer service and information (\$8.9 million), amortization of regulatory assets (\$6.0 million) and transmission and distribution operations expenses (\$3.2 million), partially offset by lower production operating expenses (\$21.6 million), transmission and distribution maintenance expenses (\$15.7 million), and purchased power expenses (\$12.1 million).

Non-Operating income increased by \$20.9 million primarily due to higher other income (\$12.6 million) due to a business interruption insurance recovery payment related to the Cosumnes Power Plant outage claim and certain settlement payments, higher interest and investment income (\$12.2 million), partially offset by lower unrealized losses (\$4.6 million).

Interest expense decreased \$3.0 million from 2023.

Regulatory Assets. In accordance with Governmental Accounting Standards Board ("GASB") No. 62, "Regulated Operations," SMUD defers, as regulatory assets, certain types of expenditures. These assets are amortized and collected through future rates.

As of December 31, 2025, SMUD had a total of \$1,095.1 million recorded for regulatory assets. Regulatory assets associated with costs related to implementation of GASB No. 68 which requires SMUD

to record a net pension liability was \$289.5 million and deferred outflows related to GASB No. 68 was \$363.8 million at December 31, 2025. Regulatory assets associated with costs related to implementation of GASB No. 75 which requires SMUD to record a net Other Post Employment Benefit (OPEB) liability was \$242.7 million and deferred outflows related to GASB No. 75 was \$79.0 million at December 31, 2025. Regulatory assets associated with Rancho Seco decommissioning costs totaled \$118.5 million at December 31, 2025. Nuclear fuel storage costs and non-radiological decommissioning costs have been collected in rates since 2009. For a complete description of these regulatory assets, see Note 8 (Regulatory Deferrals) to SMUD's financial statements.

The Board has authorized the deferral of any charges or credits that result from the change in valuation of ineffective hedges that should be reported as Investment Revenue/Expense on the Statements of Revenues, Expenses and changes in net position. The Board's resolution establishes that such charges or credits are not included in rates based on market value changes but are included in rates when the underlying transactions occur. Therefore, under GASB No. 62, "Regulated Operations," any such changes are included in the Statement of Net Position as regulatory assets or liabilities. For a complete description of these derivative financial instruments, see Note 9 (Derivative Financial Instruments) to SMUD's financial statements.

RANCHO SECO DECOMMISSIONING

Overview. The 913 MW Rancho Seco Nuclear Power Plant ("Rancho Seco") began Nuclear Regulatory Commission ("NRC") licensed operations in 1974. In June 1989, the electorate of SMUD voted against allowing SMUD to continue to operate Rancho Seco as a nuclear generating facility, and the plant was shut down. In 1991, SMUD submitted a report (the "Financial Assurance Plan") providing required financial assurance to the NRC that SMUD will have sufficient funds available to pay for the cost of decommissioning. On March 17, 1992, the NRC granted SMUD a change from an operating to a possession-only license for Rancho Seco that relieved SMUD from compliance with a number of NRC regulations applicable to operating nuclear power plants. SMUD also filed a proposed decommissioning plan with the NRC (the "Decommissioning Plan"), which was approved in March 1995.

After the decommissioning efforts began, no suitable disposal option was available to SMUD for the Class B and Class C low level radioactive waste generated during the plant decommissioning. With the used nuclear fuel stored onsite requiring oversight staff, SMUD opted to store the Class B and Class C radioactive waste in an existing interim onsite storage building until a suitable disposal option was available. In November 2007, the possession-only license for Rancho Seco was amended to update the Decommissioning Plan to terminate the possession-only license for the Class B and Class C waste in two phases. Phase I of the decommissioning was completed at the end of 2008. Following verification of the site conditions, SMUD submitted a request to the NRC to reduce the licensed facility from 2,480 acres to the interim onsite storage building and about one acre surrounding it. The request was approved by the NRC in September 2009. Phase II of decommissioning included the approximately two-acre interim storage building containing the Class B and Class C radioactive waste and surrounding area. In September 2013, SMUD entered into a contract with the operator of the low-level radioactive waste disposal facility located in Andrews, Texas. Shipment of the Class B and Class C radioactive waste for disposal was completed in November 2014. SMUD conducted additional clean-up activities and radiological surveys, which were followed by NRC confirmatory surveys. The results of these surveys demonstrated unit dose criteria well below NRC release criteria, and the NRC approved the Phase II area for unrestricted use. On September 21, 2017, SMUD formally requested the termination of the possession-only license. On August 31, 2018, the NRC officially terminated SMUD's possession-only license for the remaining Class B and Class C waste at Rancho Seco.

As part of the Decommissioning Plan, the nuclear fuel and Greater Than Class C (“GTCC”) radioactive waste is being stored in a dry storage facility (the Independent Spent Fuel Storage Installation or “ISFSI”) constructed by SMUD, adjacent to the former reactor facility. The NRC has separately licensed this facility. The United States Department of Energy (the “DOE”), under the Nuclear Waste Policy Act of 1982, is responsible for permanent disposal of used nuclear fuel and GTCC radioactive waste. SMUD has a contract with the DOE for the removal and disposal of this waste. The DOE was to have a waste repository operating by 1998, but has experienced significant and ongoing delays. The Nuclear Waste Policy Act designates Yucca Mountain in Nevada as the final and exclusive repository for the nation’s used nuclear fuel. The DOE discontinued the Yucca Mountain license review activities in 2010, but after a court ordered the NRC to resume its review in 2013, the NRC published its final safety evaluation report in 2015. The final safety report, and the final environmental impact statement, concluded that the proposed repository would be safe and environmentally sound for one million years.

Nevertheless, seeking alternatives to Yucca Mountain, the Blue-Ribbon Commission on America’s Nuclear Future delivered its final report in January 2012 with several recommendations. The DOE responded to the recommendations by issuing a report in January 2013 (Strategy for the Management and Disposal of Used Nuclear Fuel and High-Level Radioactive Waste). Key to both documents is a focus on used fuel from decommissioned sites including Rancho Seco. The DOE report accepts most of the Blue-Ribbon Commission recommendations, and contains timelines for fuel management options which proposed removing the fuel from Rancho Seco as early as 2021. However, any progress on the strategies proposed by the DOE is dependent on legislative action by Congress. With no legislative action taken to date, the 2021 projected date for fuel removal slips year-for-year. Therefore, SMUD cannot determine at this time when the DOE will fulfill its contractual obligations to remove the nuclear fuel and GTCC waste from the Rancho Seco facility. In the meantime, SMUD continues to incur costs of approximately \$6 to \$7 million per year for storage of used nuclear fuel at the ISFSI. Historically, SMUD filed a series of successful lawsuits against the federal government for recovery of past spent fuel costs. In the past decade, SMUD has executed and extended a settlement agreement with the federal government, pursuant to which SMUD is reimbursed for most spent fuel costs without having to litigate its claims. SMUD last recovered over \$5 million through the settlement process in 2025 for expenses incurred in 2023. SMUD plans to continue pursuing cost recovery claims through the settlement agreement, or, upon expiration of the agreement, through litigation, to ensure it is reimbursed for its costs in the future. The ISFSI will be decommissioned, and its license terminated after the fuel and GTCC is ultimately removed.

Financial Assurance Plan. In accordance with the Financial Assurance Plan, SMUD established and funded an external decommissioning trust fund currently held by Computershare Corporate Trust (the “Decommissioning Trust Fund”). Pursuant to the Financial Assurance Plan, SMUD made the final deposit into the Decommissioning Trust Fund in 2008. Additional deposits are not expected but will be made if increased cost estimates or reduced fund interest earnings require it. In 2011, the NRC began requiring that SMUD demonstrate financial assurance for decommissioning the ISFSI as well as the former power facility, increasing the overall cost for decommissioning Rancho Seco. The estimated total cost for decommissioning the ISFSI was approximately \$9.1 million on December 31, 2025. The decommissioning cost estimate is required to be updated every three years. As of December 31, 2025, the balance of the Decommissioning Trust Fund was \$10.3 million, excluding unrealized gains and losses. Based on the current decommissioning cost estimate and the value of the fund, SMUD’s existing Decommissioning Trust Fund provides sufficient funds to complete decommissioning and terminate the ISFSI license.

In addition to these costs, SMUD also estimates that it would cost approximately \$13.1 million to restore the site to make it available for other SMUD uses with some major structures remaining intact. Site restoration is not a legal requirement. No site restoration is currently underway.

EMPLOYEE RELATIONS

SMUD has approximately 2,469 employees, most of whom are covered by a civil service system. SMUD is a contracting member of the California Public Employees' Retirement System ("PERS"). Approximately 50% of SMUD's work-force is represented as to wages, hours and other terms and conditions of employment, by one of three recognized employee organizations, the International Brotherhood of Electrical Workers ("IBEW") Local 1245, the Organization of SMUD Employees ("OSE"), and the SMUD Public Safety Officers' Association ("PSOA"). The remaining approximately 50% of SMUD's work-force, which includes managers, professional, administrative, supervisory, and confidential, is unrepresented.

SMUD negotiated a four-year Memoranda of Understanding ("MOU") with OSE, effective January 1, 2026, through December 31, 2029, and a three-year MOU with IBEW, effective January 1, 2026, through December 31, 2028. Both contracts contain a no-strike/no-lockout clause effective during the life of the agreements. SMUD has a MOU with PSOA effective through December 31, 2026. SMUD has experienced only one labor interruption, which occurred in January 1980 that lasted four days.

RETIREMENT BENEFITS AND POST-EMPLOYMENT MEDICAL BENEFITS

Pension Plans

SMUD participates in PERS, an agent multiple-employer public employee defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. PERS acts as a common investment and administrative agent for participating public entities within the State. Benefit provisions and all other requirements are established by State statute and SMUD policies. The pension plan provides retirement benefits, survivor benefits, and death and disability benefits based upon employees' years of credited service, age, and final compensation.

As of June 30, 2024, the last actuarial valuation date for SMUD's plan within PERS, the market value of the SMUD plan assets was \$2.6 billion. The plan is 86.7% funded on a market value of assets basis, an increase of 1.3% compared to the June 30, 2023 funded status based on the market value of assets.

As an employer, SMUD is required to contribute a percentage of payroll each year to PERS to fund SMUD's plan based on actuarial valuations performed by PERS. PERS collects the normal cost based on a percentage of payroll and the unfunded liability portion is based on a dollar amount. SMUD also makes partial contributions required of SMUD employees on their behalf and for their account. At the PERS fiscal year ended June 30, 2025, SMUD's required employer contribution rate for normal cost was 9.5% of payroll and the unfunded liability contribution was \$10.7 million. During 2025, SMUD contributed \$33.1 million to PERS (including SMUD's contributions to cover required employee contributions), and SMUD employees paid \$21.1 million for their share of the PERS contribution.

For the fiscal years ending June 30, 2026 and June 30, 2027, SMUD is required to contribute 9.3% and 9.1% of payroll for normal costs and \$24.8 million and \$31.9 million for the unfunded liability contribution, respectively. Assuming no amendments to the plan and no liability gains or losses (which can have a significant impact), PERS has projected that SMUD will be required to contribute 9.0% of payroll to the plan for normal costs and \$35.3 million for the unfunded liability for the fiscal year ending June 30, 2028, not including SMUD contributions to cover required employee contributions. The amount SMUD is required to contribute to PERS is expected to increase in the future. The actual amount of such increases will depend on a variety of factors, including but not limited to investment returns, actuarial methods and assumptions, experience and retirement benefit adjustments.

SMUD has the option to prepay an annual lump sum payment to PERS for the unfunded accrued liability portion only (not including SMUD contributions to cover required employee contributions). SMUD made an annual lump sum prepayment of \$10.3 million, and voluntarily made an additional payment of \$26.1 million toward the unfunded accrued liability for the fiscal year ended June 30, 2025. SMUD made an annual lump sum prepayment of \$24.0 million and, to date, has not voluntarily made additional payments towards the unfunded accrued liability for the fiscal year ending June 30, 2026.

While SMUD has some ability to adjust the retirement benefits provided to its employees, PERS determines the actuarial methods and assumptions used with respect to assets administered by PERS (including the SMUD plan assets) and makes the investment decisions with respect to such assets. For a description of such actuarial methods and assumptions (including the smoothing conventions used by PERS when setting employer contribution rates) and investments, see the comprehensive annual financial report of PERS (SMUD's plan is part of the Public Employees' Retirement Fund of PERS) available on its website at www.calpers.ca.gov. SMUD cannot guarantee the accuracy of such information and neither the comprehensive annual financial report of PERS nor any other information contained on the PERS website is incorporated by reference in or part of this Official Statement. Actuarial assessments are "forward-looking" information that reflect the judgment of the fiduciaries of the pension plans, and are based upon a variety of assumptions, one or more of which may prove to be inaccurate or be changed in the future. Actuarial assessments will change with the future experience of the pension plans.

GASB issued statement No. 68 "Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27" ("GASB No. 68"). The primary objective of GASB No. 68 is to improve accounting and financial reporting by state and local governments for pensions. Under GASB No. 68, SMUD is required to report the net pension asset or net pension liability (i.e., the difference between the total pension liability and the pension plan's net position or market value of assets) in its Statement of Net Position. This standard requires shorter amortization periods for recognition of non-investment gains and losses and actuarial assumption changes, as well as for recognition of investment gains and losses. SMUD has elected to use regulatory accounting, which allows amortization of these gains, losses, and assumption changes over periods longer than those required by GASB No. 68 (see Regulatory Assets). GASB No. 68 separates financial reporting from funding requirements for pension plans. The net pension liability as of December 31, 2025 and December 31, 2024 is \$209.7 million and \$308.4 million, respectively.

SMUD provides its employees with two cash deferred compensation plans: one pursuant to Internal Revenue Code ("IRC") Section 401(k) (the "401(k) Plan") and one pursuant to IRC Section 457 (the "457 Plan" and collectively, the "Plans"). The Plans are contributory plans in which SMUD's employees contribute the funds. Each of SMUD's eligible full-time or permanent part-time employees may participate in either or both Plans, and amounts contributed by employees are vested immediately. Such funds are held by a trustee in trust for the employees upon retirement from SMUD service and, accordingly, are not subject to the general claims of SMUD's creditors. SMUD makes annual contributions to the 401(k) Plan on behalf of certain employees pursuant to a memorandum of understanding with both of its collective bargaining units. SMUD matches non-represented employee contributions to the 401(k) Plan up to a set amount. SMUD also makes limited discretionary contributions to non-represented employees hired after January 1, 2013, which contributions fully vest after five years. Prior to 2022, SMUD did not match employee contributions, nor make contributions on behalf of its employees to the 457 Plan. Beginning in 2022, SMUD makes annual contributions to the 457 Plan on behalf of certain employees and matches employee contributions up to a set amount pursuant to a memorandum of understanding with one of its collective bargaining units. SMUD made contributions to both Plans of \$8.1 million in 2025 and \$7.5 million in 2024. Participating employees made contributions into both Plans totaling \$38.5 million in 2025 and \$36.0 million in 2024.

Other Post-Employment Benefits

SMUD provides post-employment healthcare benefits, in accordance with SMUD policy and negotiated agreements with employee representation groups in a single employer defined benefit plan, to all employees who retire from SMUD, and their dependents. SMUD also provides post-employment healthcare benefits to covered employees who are eligible for disability retirement. SMUD contributes the full cost of coverage for retirees hired before January 1, 1991, and a portion of the cost based on credited years of service for retirees hired after January 1, 1991. SMUD also contributes a portion of the costs of coverage for these retirees' dependents. Retirees are required to contribute the portion that is not paid by SMUD. The benefits, benefit levels, retiree contributions and employer contributions are governed by SMUD and can be amended by SMUD through its personnel manual and union contracts.

SMUD's post-employment health care benefits are funded through the PERS California Employers' Retiree Benefit Trust ("CERBT"), an agent multiple-employer plan. The funding of a plan occurs when the following events take place: the employer makes payments of benefits directly to or on behalf of a retiree or beneficiary; the employer makes premium payments to an insurer; or the employer irrevocably transfers assets to a trust or other third party acting in the role of trustee, where the plan assets are dedicated to the sole purpose of the payments of the plan benefits, and creditors of the government do not have access to those assets.

SMUD has elected to contribute the normal costs to the CERBT but annually receive reimbursement for cash benefit payments from the CERBT. In 2026, SMUD's contribution for the normal costs to CERBT is \$9.6 million. In 2025 and 2024, SMUD made contributions to the CERBT for normal costs in the amount of \$8.8 million and \$8.5 million, respectively. SMUD can elect to make additional contributions to the trust. During 2025 and 2024, SMUD made healthcare benefit contributions by paying actual medical costs of \$25.1 million and \$25.3 million, respectively. During 2025 and 2024, SMUD received \$25.3 million and \$24.1 million, respectively, in reimbursement for cash benefit payments from the CERBT.

At June 30, 2025 and 2024, SMUD estimated that the actuarially determined accumulated post-employment benefit obligation was approximately \$479.4 million and \$431.7 million, respectively. At June 30, 2025 and 2024, the plan was 87.8% and 90.7% funded, respectively.

SMUD's actuary uses PERS economic and other assumptions as the basis for the calculation of the post-employment benefit obligation. The actual accumulated post-employment benefit obligation will vary substantially if such PERS assumptions, such as interest rate and life expectancy, among others, prove to be inaccurate or different than SMUD's actual experience. Although SMUD believes that such assumptions and estimates are reasonable, no assurance can be given that any such assumptions will prove to be accurate, or that SMUD's actual accumulated post-employment benefit obligation will not materially exceed its estimates. Additional information is available in Note 15 (Other Postemployment Benefits) and "Required Supplementary Information" to SMUD's consolidated financial statements.

GASB previously issued SGAS No. 75 "Accounting and Financial Reporting for Postemployment Benefits Other than Pensions". The primary objective of GASB No. 75 is to improve accounting and financial reporting by state and local governments for post-employment benefits other than pensions ("OPEB"). Under GASB No. 75, SMUD is required to report the net OPEB asset or net OPEB liability (i.e., the difference between the total OPEB liability and the OPEB plan's net position or market value of assets) in its Statement of Net Position. This standard requires shorter amortization periods for recognition of non-investment gains and losses and actuarial assumption changes, as well as for recognition of investment gains and losses. SMUD has elected to use regulatory accounting, which allows amortization of these gains, losses, and assumption changes over periods longer than those required by GASB No. 75

(see Regulatory Assets). The net OPEB liability as of December 31, 2025 and December 31, 2024 is \$48.5 million and \$34.1 million, respectively.

CAPITAL REQUIREMENTS AND OUTSTANDING INDEBTEDNESS

Estimated Capital Requirements

SMUD has a projected capital requirement of approximately \$3.0 billion for the period 2026 through 2030 as shown in the table below. Approximately 60% of this requirement is anticipated to be funded with internally generated funds and cash on hand.

Special projects include costs relating to construction of large substations and a replacement operations control building.

ESTIMATED CAPITAL REQUIREMENTS (Dollars in Thousands)

	Service Area and Other System Improvements Including Distribution System	Improvements to Existing Generation Plant	General Plant	Special Projects	Total Capital Requirements
2026	205,706	119,019	153,814	191,883	670,422
2027	267,566	100,703	118,191	113,797	600,257
2028	264,430	113,235	113,774	110,266	601,705
2029	264,430	113,235	116,270	110,266	604,201
2030	264,430	113,235	120,939	110,266	608,870

Outstanding Indebtedness

General. SMUD typically finances its capital requirements through the sale of revenue bonds, the sale of commercial paper, from draws on its Revolving Credit Facilities (as defined below) and from internally generated funds and cash on hand.

SMUD's Electric Revenue Bonds (the "Senior Bonds") are issued pursuant to Resolution No. 6649 (the "Senior Resolution") adopted in 1971, as amended and supplemented (the "Senior Resolution"). As of March 31, 2026, SMUD had Senior Bonds in the aggregate principal amount of \$1,908,940,000 outstanding. The Senior Bonds are payable solely from the Net Revenues of SMUD's Electric System. The Senior Bonds are subordinate in right of payment to the prior payment of "Maintenance and Operation Costs" and "Energy Payments" as defined in the Senior Resolution, including payments by SMUD to TANC under PA3 and payments by SMUD to NCGA and NCEA under their respective gas supply contracts.

SMUD's Subordinated Electric Revenue Bonds (the "Subordinated Bonds") are issued pursuant to Resolution No. 85-11-1 of SMUD, adopted on November 7, 1985, as amended and supplemented (the "Subordinate Resolution"). As of March 31, 2026, SMUD had Subordinated Bonds in the aggregate principal amount of \$432,020,000 outstanding. The Subordinated Bonds are payable solely from the Net Subordinated Revenues of SMUD's Electric System. The Subordinated Bonds are subordinate in right of payment to the prior payment of principal of and interest on the Senior Bonds.

SMUD issues commercial paper notes (the “Notes”) from time to time. As of March 31, 2026, no Notes were outstanding. Currently, Notes in the aggregate principal amount of \$400,000,000 may be outstanding at any one time, but SMUD reserves the right to increase or decrease the aggregate principal amount of the Notes that may be outstanding at any one time in the future. The Notes are secured by letters of credit issued by commercial banks. The Notes (and SMUD’s obligations to repay drawings under the letters of credit) are payable solely from available revenues of SMUD’s Electric System and are subordinate in right of payment to the prior payment of principal of, premium if any, and interest on the Senior Bonds and the Subordinated Bonds. Drawings under the letters of credit, to the extent not repaid immediately from the proceeds of commercial paper or other available SMUD funds, are repayable with interest over a period of five years. The letters of credit currently expire in March of 2027 and September 2028.

SMUD has also entered into two revolving credit agreements with commercial banks and issued its taxable and tax-exempt revolving notes thereunder (collectively, the “Revolving Credit Facilities”). As of March 31, 2026, no principal amount was outstanding under the Revolving Credit Facilities. Currently, the aggregate principal amount that can be outstanding under the Revolving Credit Facilities at any one time is limited to \$150,000,000. However, SMUD reserves the right to increase or decrease the aggregate principal amount that can be outstanding at any one time under the Revolving Credit Facilities in the future. SMUD’s payment obligations under the Revolving Credit Facilities are payable solely from available revenues of SMUD’s Electric System and are subordinate in right of payment to the prior payment of principal of, premium if any, and interest on the Senior Bonds and the Subordinated Bonds. The current terms of the Revolving Credit Facilities expire in March 2029 and April 2029.

Joint Powers Authorities. SMUD and Sacramento Municipal Utility District Financing Authority formed NCGA as a joint powers authority. NCGA is treated as a component unit of SMUD for accounting purposes. NCGA issued \$757,055,000 in bonds in May 2007 for the purpose of paying Morgan Stanley Capital Group in advance for natural gas to be delivered to NCGA and then sold to SMUD pursuant to a long-term purchase contract. SMUD’s obligation under the purchase contract is limited to payment for gas supplies delivered by NCGA. SMUD’s payments under the purchase contract are payable from revenues of SMUD’s Electric System prior to the payment of principal and interest on the Senior Bonds and the Subordinated Bonds as either “Maintenance and Operation Costs” or “Energy Payments” under the Senior Resolution and the Subordinate Resolution. SMUD is not obligated to make any payments in respect of debt service on the NCGA bonds. As of March 31, 2026, related bonds in the aggregate principal amount of \$66,245,000 remain outstanding.

SMUD and Sacramento Municipal Utility District Financing Authority formed NCEA as a joint powers authority. NCEA is treated as a component unit of SMUD for accounting purposes. NCEA issued \$689,700,000 in bonds on April 5, 2024, for the purpose of (i) refunding prior bonds issued by NCEA, the proceeds of which were used to pay J. Aron & Company LLC in advance for natural gas or electricity to be delivered to NCEA and then sold to SMUD pursuant to a long-term purchase contract and (ii) to pay Aron Energy Prepay 33 LLC for additional natural gas or electricity to be delivered to NCEA and then sold to SMUD pursuant to the same long-term purchase contract. SMUD’s obligation under the purchase contract is limited to payment for gas or electricity supplies delivered by NCEA. SMUD’s payments under the purchase contract are payable from revenues of SMUD’s Electric System prior to the payment of principal and interest on the Senior Bonds and the Subordinated Bonds as either “Maintenance and Operation Costs” or “Energy Payments” under the Senior Resolution and the Subordinate Resolution. SMUD is not obligated to make any payments in respect of debt service on the NCEA bonds. As of March 31, 2026, related bonds in the aggregate principal amount of \$684,245,000 remain outstanding.

Interest Rate Swap Agreements. SMUD has an interest rate swap agreement relating to currently outstanding Subordinated Bonds, as shown in the following table. For more information, see Note 9 (Derivative Financial Instruments) to SMUD’s consolidated financial statements.

Effective Date	Termination Date	SMUD Pays	SMUD Receives	Notional Amount (000's)	Counterparty
07/12/2023	08/15/2041	Fixed	70% of 1M 0.7179% Fallback SOFR	132,020	Barclays Bank

The obligations of SMUD under the swap agreement are not secured by a pledge of revenues of SMUD's electric system or any other property of SMUD. SMUD does not currently have any collateral posting requirements with respect to the interest rate swap agreement, but SMUD may be required to post collateral under certain circumstances.

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Debt Service Requirements. The following table sets forth SMUD’s debt service requirements with respect to SMUD’s Senior Bonds and Subordinated Bonds.

DEBT SERVICE REQUIREMENTS⁽¹⁾

Calendar Year	Senior Bonds Debt Service	Subordinated Bonds Debt Service⁽²⁾	Total Debt Service
2026	\$ 188,456,788	\$ 15,947,772	\$ 204,404,559
2027	188,543,538	15,947,772	204,491,309
2028	188,654,538	15,948,211	204,602,749
2029	148,758,900	15,947,332	164,706,232
2030	147,925,150	16,781,105	164,706,255
2031	151,253,650	14,281,105	165,534,755
2032	150,754,650	12,281,545	163,036,195
2033	150,757,150	9,447,332	160,204,482
2034	150,792,400	21,587,534	172,379,934
2035	151,217,550	21,159,537	172,377,087
2036	151,649,050	20,729,456	172,378,506
2037	114,916,300	28,303,354	143,219,654
2038	114,605,050	28,618,890	143,223,940
2039	114,285,050	28,935,859	143,220,909
2040	113,968,800	29,254,804	143,223,604
2041	100,623,550	29,889,177	130,512,727
2042	70,548,850	31,490,000	102,038,850
2043	70,339,650	31,490,300	101,829,950
2044	70,135,250	31,490,350	101,625,600
2045	69,926,700	31,494,550	101,421,250
2046	64,515,250	39,442,150	103,957,400
2047	64,516,000	39,604,200	104,120,200
2048	64,522,500	39,766,450	104,288,950
2049	64,518,750	39,942,850	104,461,600
2050	64,519,250	11,636,900	76,156,150
2051	39,127,500	11,826,950	50,954,450
2052	39,126,500	12,032,600	51,159,100
2053	39,128,250	12,242,950	51,371,200
2054	21,388,500	12,467,400	33,855,900
2055	--	12,705,050	12,705,050
Total	\$3,069,475,063	\$682,693,484	\$3,752,168,547

⁽¹⁾ Does not include bonds issued by NCGA, NCEA or SMUD’s portion of bonds issued by TANC. Payments by SMUD which are used by NCGA, NCEA, and TANC to pay debt service on such bonds constitute either “Maintenance and Operation Costs” or “Energy Payments” under the Senior Resolution and the Subordinate Resolution.

⁽²⁾ Based on an assumed interest rate of 3% per annum following (i) the initial scheduled Mandatory Purchase Date of October 15, 2030, for SMUD’s Subordinated Electric Revenue Refunding Bonds, 2023 Series D, (ii) the initial scheduled Mandatory Purchase Date of October 15, 2032, for SMUD’s Subordinated Electric Revenue Refunding Bonds, 2025 Series E, and (iii) the initial scheduled Mandatory Purchase Date of October 15, 2031, for SMUD’s Subordinated Electric Revenue Bonds, 2025 Series F.

Note: Amounts may not add due to rounding.

INSURANCE

SMUD maintains a comprehensive property/casualty insurance program designed to protect against catastrophic losses that would have an adverse effect on its financial position or operational capabilities. Insurance programs are continuously reviewed and modified when construction, operational exposures, or developments in the insurance industry so warrant. Long term relationships with a variety of insurers minimize SMUD's susceptibility to the effects of market cycles.

SMUD safeguards assets with all-risk property and boiler/machinery insurance with limits of \$800 million per occurrence for physical damage and business interruption combined. Various coverage sublimits and deductibles apply to losses arising from certain perils, such as business interruption, earthquake, or flood, respectively. Liability insurance is in effect to defend and indemnify SMUD against third party claims, including general, automobile and sudden and accidental pollution claims with policy limits of \$160 million, and wildfire coverage with policy limits of \$315 million, all of which include a variety of self-insured retentions.

Nuclear property and liability insurance policies are maintained in accordance with the NRC's requirements for decommissioned nuclear plants that maintain dry storage of spent fuel on-site. This includes \$100 million in first party property damage and decontamination, \$100 million for nuclear liability arising from accidents on-site, \$200 million for supplier's and transporter's nuclear liability, and \$300 million for nuclear worker liability. SMUD is exposed to possible retrospective assessments for nuclear property events occurring at other nuclear facilities in the United States capped at ten times SMUD's annual nuclear property premium (currently the maximum retrospective assessment is approximately \$1,000,000).

Other types of insurance include non-owned aircraft liability, workers' compensation, crime, cyber security, fidelity, fiduciary liability, directors' and officers' liability, professional errors and omissions, transportation, and builder's risk for major facilities under construction.

LEGAL PROCEEDINGS

SMUD is a party to numerous actions arising out of the conduct of its business and affairs, some of which are discussed below. SMUD believes that any losses or adverse financial results it may suffer in these current actions, to the extent not covered by insurance, would not, in the aggregate, have an adverse material impact on SMUD, its business and affairs, or results of operations, financial position or liquidity.

Environmental Litigation

SMUD was one of many potentially responsible parties that had been named in a number of actions relating to environmental claims and/or complaints. SMUD has resolved these environmental claims and/or complaints and entered into settlement agreements and/or consent orders. These settlement agreements and consent orders have statutory reopener provisions which allow regulatory agencies to seek additional funds for environmental remediation under certain limited circumstances. While SMUD believes it is unlikely that any of the prior settlements or consent orders will be reopened, the possibility exists. If any of the settlements or consent orders were to be reopened, SMUD believes that the outcome will not have a material adverse impact on SMUD's financial position, liquidity, or results of operations.

Other Litigation Matters

Currently, SMUD is party to various claims, legal actions and complaints relating to its operations, including, but not limited to, property damage, personal injury, contract disputes, and employment matters.

SMUD believes that the ultimate resolution of these matters will not have a material adverse effect on SMUD's financial position, liquidity, or results of operations.

FERC Administrative Proceedings

SMUD is involved in a number of FERC administrative proceedings related to the operation of wholesale energy markets, regional transmission planning, gas transportation and NERC reliability standards. These proceedings generally fall into the following categories: (i) filings initiated by the CAISO (or other market participants) to adopt/modify the CAISO Tariff and/or establish market design and behavior rules; (ii) filings initiated by existing transmission owners (i.e., PG&E and the other IOUs) to pass-through costs to their existing wholesale transmission customers; (iii) filings initiated by FERC on market participants to establish market design and behavior rules or investigate market behavior by certain market participants; (iv) filings initiated by transmission owners under their transmission owner tariffs to establish a regional transmission planning process; (v) filings initiated by providers of firm gas transportation services under the Natural Gas Act; and (vi) filings initiated by NERC to develop reliability standards applicable to owners, users, and operators of the bulk electric system. In addition, SMUD is an active participant in other FERC administrative proceedings, including those related to reliability, variable resource integration and the changing resource mix, and transmission planning and cost allocation. SMUD believes that determinations of these FERC proceedings will not have a material adverse effect on SMUD's financial position, liquidity or results of operations.

CPUC Administrative Proceedings

Periodically, PG&E seeks to update its gas transmission and storage ("GT&S") revenue requirements and rate designs. These applications are litigated at the CPUC and affect SMUD through several tariff rates SMUD pays to move natural gas along PG&E's backbone transmission lines. In the 2019 GT&S rate case (the "2019 GT&S Case"), the CPUC affirmed the application in GT&S rates of cost causation principles to prevent excessive and unreasonable costs being shifted to electric generator backbone customers like SMUD, either through proposed changes in PG&E's natural gas storage strategy or through cost shifts within the electric generator customer class. Following the 2019 GT&S Case, PG&E filed its 2023 General Rate Case (the "GRC") in June 2021 (covering years 2023-2026), and its Gas Cost Allocation and Rate Design Proposal ("CARD") in September 2021. The CPUC resolved all issues through approval of a comprehensive, all-party settlement in March 2024.

PG&E filed its most recent General Rate Case ("2027 GRC") in May 2025, which seeks to establish, among other things PG&E's gas transmission and storage revenue requirements in years 2027-2030. PG&E filed its associated 2027 CARD application in November 2025. SMUD is a party to and monitoring both proceedings at the CPUC. SMUD does not believe that determinations of these CPUC proceedings will have a material adverse effect on SMUD's financial position, liquidity or results of operations. SMUD will continue to actively participate in PG&E's future GRC and CARD proceedings to ensure that costs are fairly allocated to non-core customers, including electric generator backbone customers.

SMUD monitors a number of other CPUC proceedings. These proceedings generally fall into the following categories: (i) filings initiated by PG&E to adopt/modify its tariffs and/or rules; (ii) rulemakings initiated by the CPUC to establish market design and behavior rules or program rules affecting SMUD customers; and (iii) rulemakings initiated by the CPUC to establish electric and/or gas system safety design and maintenance rules, including long-term gas system planning. SMUD believes that determinations of these CPUC proceedings will not have a material adverse effect on SMUD's financial position, liquidity or results of operations.

DEVELOPMENTS IN THE ENERGY SECTOR

California Electric Market

In 1996, the State partially deregulated its electric energy market and the CAISO was established in 1998. Since the CAISO's formation, the State has experienced episodes of higher and more volatile prices for natural gas and wholesale electricity. In reaction to such conditions, SMUD made significant changes to its business strategy to mitigate the impacts of the more volatile and unpredictable energy markets. Volatility in energy prices in the State are always a potential risk due to a variety of factors which affect both the supply and demand for electricity in the western United States. These factors include, but are not limited to, the implementation of the CAISO market design changes, insufficient generation resources, the increase in intermittent renewable energy resources, natural gas price volatility, fuel costs and availability, weather and natural disasters, transmission constraints and levels of hydroelectric generation within the region. While SMUD has taken a number of steps to mitigate its exposure to price volatility associated with these factors, this price volatility under extreme conditions may contribute to greater volatility in SMUD's net revenues from the purchase and sale of electric energy and, therefore, could materially adversely affect the financial condition and liquidity of SMUD. For a discussion of SMUD's current resource planning activities and risk management strategies, see "BUSINESS STRATEGY" above.

Cybersecurity

Cybersecurity continues to be a top priority for SMUD. Attacks or threats directed at critical electric or energy sector operations could damage or cause the shut-down of generation, transmission or distribution assets that are essential to SMUD's ability to serve its customers, cause operational malfunctions and outages affecting SMUD's electric system, and result in costly recovery and remediation efforts. The costs of security measures or of remedying breaches could be material.

SMUD participates in sharing and receiving information about cyber security threats in real-time through the Electricity Information Sharing and Analysis Center ("E-ISAC"), the central hub for such data to actively manage risk related to potential cyber intrusion. SMUD collaborates and receives threat intelligence from Federal entities such as the FBI and CISA. SMUD also participates in NERC's development of mandatory, enforceable cyber security standards to address vulnerabilities in electric utility systems. SMUD also adopts voluntary measures suggested as best practices by the National Institute of Standards and Technology ("NIST") in its national framework.

SMUD's prudent response to this ever-changing threat requires constant monitoring and frequent updates to implement new regulatory requirements as they are developed. SMUD manages risk related to frequently changing regulatory requirements by participating in the development of standards at NERC and NIST and through active engagement in the cyber security policy dialogue in Congress.

Physical Security

Physical security is a critical concern for electric utilities as they seek to protect their infrastructure from a range of threats. The electric utility infrastructure is complex and consists of multiple components, such as power plants, substations, transmission and distribution lines, and other facilities. SMUD employs a dedicated physical security team that is deployed 24/7 and allows SMUD to respond to emergent events in a safe, coordinated, efficient, and cohesive manner, protecting the lives of its employees, customers, community, properties and assets. SMUD has policies, processes and procedures in place that outline the access controls and restrictions for its properties. SMUD restricts access based on need as it determines, while adhering to applicable laws, regulations and standards such as NERC Reliability Standards and NRC

regulations. SMUD also maintains a Utility Security Plan adopted by the Board representing SMUD's compliance with the CPUC's Safety and Enforcement Division six-step security plan process described in CPUC Decision 19-01-018. SMUD is reviewing will present an updated Utility Security Plan to the Board prior to July 2026, in alignment with the CPUC Decision.

During times of elevated, imminent threats, safety and/or security concerns, SMUD's Security Operations team, under the direction of the Chief Diversity Officer or delegate, reserves the right to deploy additional security measures, controls, and further restrict or limit access to its properties to increase its security posture.

SMUD operates a 24/7 security operations center which monitors and coordinates responses to situations reported by internal and external stakeholders, or which are detected by SMUD's security technology. The technology includes access control, video surveillance, and various types of intrusion detection solutions. The security operations center is a central hub for initial contact for physical security calls from employees of suspicious events and initiates incident responses as needed.

Federal Legislation and Regulatory Proceedings

Energy Policy Act of 2005. On August 8, 2005, the Energy Policy Act of 2005 (the "EPAct of 2005") was signed into law. The law includes a number of energy-related provisions such as limited FERC jurisdiction over interstate transmission assets of municipal utilities, cooperatives and federal utilities to order these entities to provide transmission services on rates and terms comparable to those the entities charge and provide to themselves; the grant of authority to FERC to establish and certify an electric reliability organization to develop and enforce reliability standards for users of the bulk power transmission system; and prohibitions of certain market practices including the provision of false information and related expansion of FERC civil and criminal penalty authority. The most impactful part of the EPAct of 2005 on SMUD has been the development and enforcement of mandatory federal reliability standards.

Federal Regulation of Transmission Access. The Energy Policy Act of 1992 (the "Energy Policy Act") made fundamental changes in the federal regulation of the electric utility industry, particularly in the area of transmission access. The Energy Policy Act provided FERC with the authority to require a transmitting utility to provide transmission services at rates, charges, terms and conditions set by FERC. The purpose of these changes, in part, was to bring about increased competition in the electric utility industry. Under the Energy Policy Act, electric utilities owned by municipalities and other public agencies which own or operate electric power transmission facilities which are used for the sale of electric energy at wholesale are "transmitting utilities" subject to the requirements of the Energy Policy Act.

Since the Energy Policy Act, FERC has adopted a series of rules to implement competitive open access to transmission facilities and regional transmission planning. Order No. 888, issued in 1996, requires the provision of open access transmission services on a nondiscriminatory basis by all "jurisdictional utilities" (which, by definition, does not include municipal entities like SMUD) by requiring all such utilities to file OATTs. Order No. 888 also requires "nonjurisdictional utilities" (which, by definition, does include SMUD) that purchase transmission services from a jurisdictional utility under an open access tariff and that owns or controls transmission facilities to provide open access service to the jurisdictional utility under terms that are comparable to the service that the nonjurisdictional utility provides itself. Section 211A of the EPAct of 2005 authorizes, but does not require, FERC to order unregulated transmission utilities to provide transmission services, including rates and terms and conditions, that are comparable to those under which the unregulated transmitting utility provides transmission services to itself that are not unduly discriminatory or preferential – often referred to as the reciprocity rule.

In Order 890, issued in 2007, FERC stated that it will implement its authority under Section 211A on a case-by-case basis and retain the current provisions.

In 2011, FERC issued Order 1000, which requires public utility (jurisdictional) transmission providers to participate in a regional transmission planning process that produces a regional transmission plan and that incorporates a regional and inter-regional cost allocation methodology. Similar to Order 890, FERC states that it will implement its authority under Section 211A on a case-by-case basis. However, in Order 1000, FERC expands upon the current reciprocity provisions and states that it has the authority to allocate costs to beneficiaries of services provided by specific transmission facilities even in the absence of a contractual relationship between the owner of the transmission facilities and the identified beneficiary.

SMUD, individually, and through the Large Public Power Council (“LPPC”), appealed Order 1000, but in 2014 the D.C. Circuit Court of Appeals rejected all of the arguments raised on appeal, upholding the entirety of Order 1000.

The jurisdictional members of WestConnect filed their proposed regional planning process and cost allocation methodology through a series of compliance filings at FERC. FERC accepted binding cost allocation for jurisdictional transmission providers of WestConnect and mandated that non-jurisdictional transmission providers (such as SMUD) identified as beneficiaries of a project have the ability to not accept the cost allocation. WestConnect’s Order 1000 planning process began with the 2016-2017 planning cycle.

However, in response to FERC’s WestConnect orders on compliance, El Paso Electric Company (“El Paso”), a jurisdictional transmission provider, petitioned to the Court of Appeals for the 5th Circuit contending that FERC’s WestConnect orders violated Order 1000’s cost causation principle because WestConnect’s binding cost allocation applies only to the jurisdictional transmission providers which forces jurisdictional transmission providers to subsidize projects benefitting non-jurisdictional transmission providers that opt-out of projects. On August 2, 2023, the court reversed FERC’s orders implementing Order No. 1000 for WestConnect concerning cost allocation of regional transmission projects to non-jurisdictional transmission providers, and remanded to FERC to address this issue. The court found that the WestConnect orders are incompatible with Order No. 1000’s application of the cost causation principle to address free ridership. As a result, per a FERC order effective April 24, 2025, the non-jurisdictional transmission providers may no longer participate in WestConnect’s regional planning process unless they enroll in binding cost allocation. The non-jurisdictional transmission providers continue to assess options, but none have currently enrolled in the region. SMUD’s long-standing objective is to comply with open access requirements necessary to achieve reciprocity, including through participation in a regional planning process while not binding itself to mandatory cost allocation. Thus, SMUD has an interest in continuing to explore options for participation in a regional transmission planning process which could include forming a separate region, joining another region (e.g. NorthernGrid), or developing an alternative non-jurisdictional framework within WestConnect that would pass FERC cost-allocation muster while at the same time maintaining its business and jurisdictional interests.

On April 21, 2022, FERC issued a Notice of Proposed Rulemaking on Building for the Future Through Electric Regional Transmission Planning and Cost Allocation and Generator Interconnection (the “NOPR”). The NOPR sought input on proposals that would impact the regional transmission planning and cost allocation process. SMUD engaged in the proceeding, providing input and helping draft comments with trade organizations, including LPPC. On May 13, 2024, FERC issued Order 1920 which requires that transmission providers through regional planning entities (e.g. WestConnect) plan for transmission needs over a 20-year horizon, considering certain factors and benefits. The new long-term regional transmission planning (“LTRTP”) process is added to the existing Order 1000 planning requirements. Importantly, Order 1920 contains cost containment protocols that require “right sizing” transmission facilities and re-evaluation of projects in the event of delays or cost overruns. Given FERC’s April 24, 2025, order regarding

regional planning participation of non-jurisdictional transmission providers in WestConnect, the non-jurisdictional transmission providers have not participated in the WestConnect efforts to develop its LTRTP process. However, SMUD will continue to monitor and be engaged in any developments at FERC that impact Orders 1000 and 1920 processes and its regional transmission planning participation.

SMUD is unable to predict at this time the full impact that Orders 1000 and 1920 will have on the operations and finances of SMUD's electric system. SMUD will continue to take any action necessary, including withdrawing from a cost allocation determination or planning region, and engaging in FERC proceedings, to ensure that it is not required to pay for transmission costs in the absence of an agreement or service relationship.

NERC Reliability Standards. The EAct of 2005 required FERC to certify an electric reliability organization ("ERO") to develop mandatory and enforceable reliability standards, subject to FERC review and approval. On February 3, 2006, FERC issued Order 672, which certified NERC as the ERO. Many reliability standards have since been approved by FERC, including those aimed at protecting the bulk electric system from physical and cyber threats.

The ERO or the regional entities, such as WECC, may enforce the reliability standards, subject to FERC oversight or FERC may independently enforce reliability standards. Potential monetary sanctions include fines of up to \$1,584,648 per violation per day. Order 693 provides ERO and regional entities with the discretion necessary to assess penalties for such violations, while also having discretion to calculate a penalty without collecting the penalty if circumstances warrant.

Anti-Market Manipulation Rules. The EAct of 2005 gave FERC the authority to issue rules to prevent market manipulation in jurisdictional wholesale power and gas markets, and in jurisdictional transmission and transportation services. These anti-market manipulation rules apply to non-jurisdictional entities such as SMUD. Further, the EAct of 2005 provided FERC civil penalty authority, which FERC exercises carefully by assuring that its market manipulation rules are clear.

Greenhouse Gas Emissions. Since 2009, the U.S. Environmental Protection Agency (the "EPA") has taken steps to regulate GHG emissions from different sources, including the electric sector.

In 2014, EPA issued a proposed rule under section 111(d) of the Clean Air Act ("CAA") called the Clean Power Plan (the "CPP") that projected power sector emissions reductions of 30% below 2005 levels by 2030. The proposed CPP would have established a rate-based emissions goal for each state, providing states the responsibility to develop a State Implementation Plan ("SIP") describing how each will meet the goal assigned by EPA using the "Best System of Emissions Reduction" ("BSER") established by EPA. The rule was finalized in October 2015.

In November 2015, 27 states and numerous corporations challenged the CPP in court, alleging that EPA had exceeded its authority under the CAA; however, before the issue could be decided by the court, the 2016 presidential election resulted in a change of administration. The new administration quickly moved for an abeyance (or stay) of the case for as long as the agency needed to review and withdraw the CPP. The U.S. Supreme Court stayed implementation of the CPP pending disposition in the D.C. Circuit and any subsequent review by the Supreme Court. In August 2018, EPA proceeded to withdraw the CPP and the D.C. Circuit ultimately dismissed the case on September 17, 2019. EPA proposed a different rule under the same provision of the CAA, known as the Affordable Clean Energy ("ACE") rule, which would have established a BSER that only includes measures that can be undertaken at an individual power plant, rather than the broader suite of measures envisioned under the CPP. The ACE rule was challenged in court by environmental groups and states alleging that the revised rule inadequately responds to EPA's responsibility to protect public health and welfare. SMUD joined in this litigation along with other challengers. The D.C.

Circuit vacated the ACE rule on January 19, 2021, and remanded it to EPA for review and revision, just days before a new presidential administration took office. Several states led by West Virginia and coal industry members appealed the decision.

In June 2022, the U.S. Supreme Court issued its opinion in *West Virginia v. EPA*, striking down the CPP and foreclosing any future regulations of “significant political and economic significance” if Congress has not expressly authorized them. While the decision does not restrict EPA to only requiring measures “inside the fence line” at an individual power plant to control GHGs, it appears unlikely that EPA will be able to require material reductions in GHGs to mitigate climate change through section 111(d) of the CAA.

Under the Biden administration, in May 2023, EPA issued a proposed rule under Section 111(d) of the CAA to reduce GHG emissions from existing and new power plants. The four-part proposed rule, *New Source Performance Standards for Greenhouse Gas Emissions From New, Modified, and Reconstructed Fossil Fuel-Fired Electric Generating Units; Emission Guidelines for Greenhouse Gas Emissions From Existing Fossil Fuel-Fired Electric Generating Units; and Repeal of the Affordable Clean Energy Rule*, would have set forth GHG emission standards for certain subcategories of new and existing fossil fuel-fired power plants operating greater than 50% of the time and generating more than 300 MW per turbine. In the proposed rule, EPA determined the BSER is either deploying carbon capture and storage technology to capture 90% of emissions or co-firing 96% hydrogen produced through a low-emission process (“low-GHG hydrogen”). If finalized, compliance would have been required by 2032. SMUD filed comments as part of several trade groups and coalitions in response to the proposed rule, but SMUD’s internal analysis showed the rule as proposed would not require changes at any of its currently-operating fossil-fueled power plants and therefore would not have had a material impact on SMUD’s financial position, operations, or liquidity. The final rule issued by EPA in March 2024 significantly modified the proposal by reducing subcategories for coal-fired units, extending compliance dates for CCS implementation, removing hydrogen co-firing as a BSER option, and introducing reliability-focused provisions. Additionally, EPA did not finalize emission requirements for fossil fuel-fired stationary combustion turbines.

Most recently, under the current Trump administration in March 2025, EPA initiated a substantial reevaluation and potential reversal of the foundational 2009 Endangerment Finding, a cornerstone of GHG emissions regulation under the CAA. The administration argues that advancements in scientific research and significant economic considerations necessitate this reassessment.

In February 2026, the Trump administration announced its formal repeal of the 2009 Endangerment Finding. EPA finalized the repeal following a year-long formal rulemaking process that included public hearings and a public comment period. EPA asserted that the 2009 determination exceeded the agency’s statutory authority and that policy decisions of such economic and national significance rest with Congress, not the agency. The repeal is being challenged in federal court; if the repeal is upheld it would fundamentally undermine EPA’s regulatory authority over carbon emissions. Utilities, including SMUD, could see increased risks from litigation related to emissions, previously shielded by federal regulatory frameworks,

EPA has also proposed eliminating long-standing GHG reporting requirements for industrial facilities, a move that could diminish transparency and limit comprehensive emissions data crucial for informed policy and investment decisions. Moreover, the current administration is revisiting vehicle emission standards, potentially scaling back stringent GHG emissions targets for new vehicle model years. Such actions could significantly alter national emission trajectories and impact related state regulatory efforts, notably in states like California with aggressive vehicle emissions targets.

While SMUD's immediate operations and financial status may remain largely unaffected directly by these federal regulatory shifts, the broader implications of deregulation pose potential indirect effects through market shifts, evolving state-level policies, and future regulatory scenarios. SMUD remains proactive in monitoring these developments closely, ensuring strategic adaptability and financial resilience amid evolving regulatory landscapes.

Federal Communications Commission. The 1978 Pole Attachment Act added section 224 to the Communications Act of 1934, authorizing the Federal Communications Commission ("FCC") to regulate attachments by cable television systems or providers of telecommunications service to utility poles, ducts, conduits, and rights-of-way. Under Section 224(a)(1), public power entities are exempt from FCC pole attachment regulations, as municipally-owned poles are already subject to local decision-making processes and governance. The municipal exemption from FCC pole attachment regulations was further codified through the enactment of the Telecommunications Act of 1996. However, over the past decade, this exemption has been continuously eroded.

Various actions by the FCC have limited the exemption in support of a "uniform policy for broadband access to privately-owned physical infrastructure." Through four orders issued between 2017 and 2018, the FCC set strict time limits for the review of pole attachment applications and preempted state and local agreements on pole attachments. In 2020, in *City of Portland v United States*, the U.S. Court of Appeals for the Ninth Circuit upheld the FCC's Small Cell Order, which adopted new time limits for municipal utilities' review of wireless infrastructure siting applications and preempted access fees for small cells. In November 2023, the FCC adopted its Fourth Report and Order, Declaratory Ruling, and Third Further Notice of Proposed Rulemaking that would reform pole replacement rules and facilitate the approval process for pole attachment applications, among other things. In September 2025, the FCC issued a Notice of Inquiry on barriers to wireline deployment, that could potentially lead to a rulemaking that would erode the municipal exemption from FCC pole attachment regulations.

SMUD is unable to predict whether any new FCC rulemakings will impact the operations and finances of SMUD's electric system. SMUD will monitor these proceeding for any potential impact to SMUD.

Federal Clean Energy Legislation. SMUD actively participates in discussion at the federal level regarding legislation that would meaningfully impact SMUD's existing GHG reduction strategies or impose new requirements for electric generators, including a proposed federal clean energy standard. In the 117th Congress, a clean electricity performance program was considered but ultimately lacked support to pass. Instead, Congress extended and expanded clean energy tax credits and created new grant and rebate programs to incentivize clean energy investments in the Inflation Reduction Act of 2022. While it is possible that a future Congress may revisit the concept of a clean energy standard or other GHG reduction regime, it is possible that the passage of the Inflation Reduction Act will diminish the likelihood of a new regulatory framework being enacted in the near future.

SMUD is unable to predict whether any new EPA rulemakings will be undertaken, and what the full impact of the reduction of fossil-based generation over time will have on the operations and finances of SMUD's electric system or the electric utility industry generally.

Federal Tax Policy Legislation. In July 2025, the One Big Beautiful Bill Act ("OB3A") was enacted into law, extending numerous 2017 Tax Cuts and Jobs Act ("TCJA") provisions. Among the revenue raisers to pay for the extensions was the repeal and accelerated phaseout of several Inflation Reduction Act energy tax credits.

SMUD is unable to predict the full impact the tax policy legislation will have on the business operations and financial condition of SMUD's electric system. SMUD may receive refundable direct payments of the investment and production energy tax credits, resulting in hundreds of millions of dollars in direct payments for infrastructure projects pursued by SMUD. In addition, SMUD has entered into several power purchase agreements that utilize energy tax credits for project financing, reducing the overall cost of the investment. SMUD has accelerated the construction of various energy infrastructure projects and negotiations for several power purchase agreements to meet the energy tax credit eligibility deadlines under OB3A. Any future legislation that changes the value of energy tax credits may impact the final cost of these contracts or future contracts.

SMUD will continue to monitor and engage in any developments in Congress on the reconciliation package and its impact to SMUD's ability to claim energy tax credits and issue tax exempt bonds.

State Legislation and Regulatory Proceedings

A number of bills affecting the electric utility industry have been enacted by the State Legislature. In general, these bills provide for reduced GHG emission standards and greater investment in energy efficient and environmentally friendly generation alternatives through more stringent RPS. Additionally, ongoing regulatory proceedings address the implementation of these bills as well as water flow and quality issues related to the Sacramento – San Joaquin River Delta. The following is a brief summary of these bills and regulatory proceedings.

Greenhouse Gas Emissions. On September 27, 2006, the Governor of the State signed into law AB 32, the Global Warming Solutions Act of 2006 ("AB 32"). AB 32 requires the California Air Resources Board ("CARB") to adopt enforceable GHG emission limits and emission reduction measures in order to reduce GHG emissions to 1990 levels by 2020. In addition, AB 32 establishes a mandatory reporting program for all IOUs, local, publicly-owned electric utilities and other load-serving entities (electric utilities providing energy to end-use customers) ("LSEs"). The AB 32 reporting program allows CARB to adopt regulations using market-based compliance mechanisms such as a "cap-and-trade" system.

On December 16, 2010, CARB approved a resolution adopting cap-and-trade regulations for the State. The regulations became effective on January 1, 2012. As adopted, the cap-and-trade program covers sources accounting for 85% of the State's GHG emissions, the largest program of its type in the United States. In November of 2012, CARB conducted its first allowance auction and auctions now occur on a quarterly schedule.

The cap-and-trade program introduced a hard emissions cap that declines over time on the combined electric utility and large industrial sectors, covering all sources emitting more than 25,000 metric tons of carbon dioxide-equivalent greenhouse gases ("CO₂e") per year, and was subsequently expanded to cover distributors of transportation, natural gas, and other fossil fuels. The cap-and-trade program requires covered entities to retire compliance instruments (allowances and carbon offsets) for each metric ton of CO₂e they emit. CARB has allocated free allowances to LSEs to mitigate the compliance cost burden on ratepayers. The value of allowances must be used to benefit ratepayers and achieve GHG emission reductions. The cap-and-trade program also allows covered entities to use offset credits for compliance purposes (not exceeding 8% of a regulated entity's compliance obligation through 2020, 4% from 2021 through 2025, and 6% from 2026 through 2030). Offsets must be obtained from certified projects in sectors that are not regulated under the cap-and-trade program and are subject to other restrictions.

The State's cap-and-trade program is linked to Quebec and was briefly linked to companion program in the Canadian province of Ontario during 2018 but was de-linked following a political change. In 2021, the Washington state legislature passed a cap-and-trade bill, which is expected to interact with the

State's markets. Future potential near-term links to the CARB cap-and-trade program also include the states of Oregon, which has adopted a cap-and-trade program, and New Mexico, which is considering the adoption of a cap-and-trade program.

On October 7, 2015, SB 350 was enacted, containing aggressive goals for reducing carbon emissions by 2030, including raising the proportion of renewable energy to 50%, reducing the use of petroleum fuel in cars and trucks by up to 50%, and doubling the energy efficiency of existing buildings. See "BUSINESS STRATEGY – Sustainable Power Supply and Transmission – *Renewable Energy and Climate Change*" for additional information. In addition, SB 350 established requirements for larger POU's to adopt and file with the CEC Integrated Resource Plans ("IRPs") by April 2019 that would show planned procurement to achieve the 50% RPS and State GHG goals established by CARB. The CEC developed "guidelines" for these IRPs for POU's in 2017, updated them in 2018, and proposed additional updates in 2022. CARB established specific GHG target ranges for these IRPs in summer 2018, which were revised in 2023 following the adoption of CARB's 2022 Scoping Plan. SMUD developed and adopted an IRP in 2018 through a comprehensive public process and filed the adopted IRP with the CEC in April 2019. SMUD adopted an updated IRP in June 2022 and filed the updated IRP with the CEC in September 2022. In August 2024, the CEC approved SMUD's IRP as consistent with the applicable requirements. SMUD's updated IRP plans for a greater than 92% reduction in GHG emissions by 2030 relative to 1990 levels, which equals approximately 250,000 metric tons of GHG emissions in 2030. SMUD's next IRP update must be approved by SMUD's Board of Directors by June 2027. See "BUSINESS STRATEGY – Sustainable Power Supply and Transmission – *Renewable Energy and Climate Change*."

On April 29, 2015, the Governor of the State signed Executive Order B-30-15, establishing a goal for the State to reduce GHG emissions to 40% below 1990 levels by 2030. In 2016, the State Legislature passed Senate Bill 32 ("SB 32"), which codified then-Governor Brown's goal of reducing the State's GHG emissions to 40% below 1990 levels by 2030. In 2017, the State Legislature passed Assembly Bill 398 ("AB 398"), explicitly authorizing the continuation of the cap-and-trade program, with designated changes, through 2030. Subsequently, CARB adopted an initial set of regulatory changes extending the cap-and-trade program, including establishing utility sector allowance allocations through 2030. In 2018, CARB completed a rulemaking to implement the cap-and-trade program changes designated by AB 398. These changes include development of a hard price ceiling for the cap-and-trade program and two price-containment points below that ceiling, in an attempt to ensure stable prices in the program. CARB adopted final regulations on December 13, 2018.

On September 19, 2025, the Governor of the State signed AB 1207 (Irwin, Statutes of 2025), which extends the Cap-and-Trade regulation through 2045. The bill also required CARB to design the regulations to support the transition of allowances from gas corporations to electrical distribution utilities and renamed the program from Cap-and-Trade to Cap-and-Invest.

CARB proposed new amendments to the Cap-and-Invest program regulation and Mandatory Reporting Regulation (MRR) on January 20, 2026. The purpose of the Cap-and-Invest amendments is to implement the provisions of AB 1207, reflect updates to the state's greenhouse gas emissions inventory, and make program improvements. The MRR amendments are intended to improve clarity about data reporting requirements and support the Cap-and-Invest program. The proposed Cap-and-Invest amendments update program budgets to align with updates to GHG inventory data (which necessitates the removal of approximately 118 million allowances from program budgets through 2030) but do not increase program stringency before 2030. Several of CARB's proposed changes to the electric utility allowance allocations for ratepayer protection could materially impact SMUD. First, CARB has proposed recalculating allocations for the 2027-2030 period. If CARB's January 20 proposal is approved, SMUD would lose approximately 2.3 million allowances over the four-year period, with an estimated value of \$75 million to \$175 million (low end of range assumes floor prices and high end assumes \$60, escalated each

year for inflation). With the program's extension through 2045, CARB's amendments propose a new allocation to electric utilities for the 2031-2035 period; if this proposal is approved, SMUD anticipates receiving a cumulative total of approximately 8.5 million allowances over that period for the benefit of its customers. Finally, CARB has proposed transitioning allocations from natural gas utilities to electric utilities to implement the statutory direction from AB 1207. SMUD anticipates changes to its billing and information technology systems may be needed to effectuate these changes, but the value of transitioned allowances is unlikely to impact SMUD as it must be returned directly to SMUD's residential ratepayers. The CARB Board hearing will consider approving the Cap-and-Invest and MRR amendments on May 28, 2026, with an intended effective date of September 1, 2026.

In addition, any new projects constructed in the State, including power plants, that may cause a significant adverse impact on the environment must be analyzed under CEQA. Some State agencies have begun using CEQA in novel ways to require mitigation of "significant" GHG emissions caused, either directly or indirectly, by a project. Pursuant to Senate Bill 97 passed in 2007, CARB will assist the Governor's Office of Planning and Research in setting thresholds of significance under CEQA of GHG impacts from new projects. This is an area of State law that is evolving and untested in the courts. However, there is a risk that any project proponent of an electric system infrastructure project might have to mitigate such potential impacts to a level of less than significant.

On December 3, 2012, the Superior Court issued a ruling in *Cleveland National Forest Foundation v. San Diego Association of Governments* ("SANDAG"), Case No. 2100-00101593, that sided with the State Attorney General and the other petitioners stating that SANDAG did not follow CEQA when it adopted a \$257 billion regional transportation plan in 2011. The ruling expressly invalidated the certification of the Environmental Impact Report ("EIR") on the grounds that the EIR should have analyzed the plan's consistency with the governor's policy goal to reduce GHG emissions by 80% by 2050 as articulated in the 2005 Executive Order S-03-05. On November 24, 2014, the Fourth Appellate District upheld the trial court in a published decision, and SANDAG appealed to the State Supreme Court. On July 13, 2017, the Supreme Court reversed and held that SANDAG's decision not to adopt the 2050 goal was not an abuse of discretion. Nevertheless, the Court articulated three clear principles for agencies to follow in their CEQA review of planning documents: 1) agencies must take seriously the significance of even small increases in GHG emissions; 2) they must consider science-based State policy guidance in their decision-making; and 3) they are required to use the best scientific information available to determine whether their planning decisions are consistent with the State's goals. These principles will apply to SMUD in CEQA reviews of future projects.

On September 29, 2006, the Governor of the State signed into law Senate Bill 1368 ("SB 1368"), the GHG Emissions Performance Standard ("EPS"). SB 1368 limits long-term investments in baseload generation by the State's utilities to power plants that meet an EPS jointly established by the CEC and the CPUC. The agencies have set the EPS at 1,100 pounds CO₂ per MWh, which is roughly half of the CO₂ emissions rate of a conventional coal-fired power plant. CEC regulations to implement the law for POU's were approved by the Office of Administrative Law on October 16, 2007.

SMUD's primary supply and demand-side resources need to meet customers' electricity usage patterns over the next 10 years. Currently there is a ban in the State that prohibits the development of nuclear power plants until there is a permanent storage solution for spent fuel rods. With the effective ban on new coal power imports under SB 1368, natural gas-fired, combined cycle power plants would appear to be the primary viable option for fossil fuel-based baseload power plant development absent the implementation of new technologies in connection with other resource options. The reliance on a single fuel source will continue to put pressure on the natural gas market in the United States. SMUD has in place a natural gas procurement plan to mitigate natural gas volatility, see "POWER SUPPLY AND TRANSMISSION – Fuel Supply" above.

On September 16, 2022, the Governor of the State signed into law SB 1020, which creates interim climate targets under which eligible renewable energy resources and zero-carbon resources must supply 90% of all retail sales of electricity to California end-use customers by December 31, 2035, and 95% by December 31, 2040. The bill also requires each State agency to ensure that zero carbon resources and eligible renewable energy resources supply 100% of electricity procured on its behalf by December 31, 2035. SMUD provides electricity to a number of State agency buildings and will work with State agencies to comply with this requirement.

On September 16, 2022, the Governor of the State signed into law SB 905. SB 905 requires that CARB establish the “Carbon Capture, Removal, Utilization, and Storage Program” to evaluate the efficacy, safety, and viability of carbon capture, utilization, or storage (“CCUS”) technologies. It also requires CARB to adopt implementing regulations and protocols, create a unified state permitting application, and host a new, public database that will track the development of CCUS technologies. The protocols may, among other things, address how CCUS reduces carbon emissions for facilities employing the technology. SMUD is exploring investments in CCUS technology. In August 2025, CARB issued a request for information regarding implementation of SB 905. CARB has also indicated, through its rulemakings to amend the Cap-and-Invest and MRR rulemakings, that it intends to address CCUS emissions quantification through SB 905 implementation. However, CARB has not yet developed the Carbon Capture, Removal, Utilization and Storage Program or proposed draft regulations or protocols. It is not clear at this time how SB 905 will impact SMUD.

On October 7, 2023, the Governor of the State signed into law AB 1305, which requires an entity that purchases or uses voluntary carbon offsets and makes claims regarding the achievement of net zero, or other similar claims, to disclose on their website specified information. Many stakeholder groups are raising questions on if this includes RECs. AB 2331 in 2024 sought to clarify particular provisions in AB 1305, but it did not pass through the legislature before the close of the legislative session. It is not clear at this time whether RECs are included.

Reliability. On June 30, 2022, the Governor signed the 2022-23 budget, along with a number of trailer bills, which provide implementing details on the budget line items. Included in AB 205, the energy trailer bill, are a number of reliability programs aimed at improving reliability throughout the State, including State incentives for distributed electricity backup resources, compensation to customers for demand side energy management, and a strategic energy reserve program operated by the State Department of Water Resources (“DWR”). SMUD’s participation in these initiatives to date has been limited to facilitating customers’ participation in demand side energy management programs established by the CEC and therefore has not had a material impact on SMUD. AB 209 (2022) required the CEC to develop recommendations about an approach to determine an appropriate minimum planning reserve margin (“PRM”) for local POUs within the CAISO balancing area, and AB 1373 (2023) required the CEC to perform an assessment of whether each local POU exceeded, met or failed to meet its minimum PRM and specified resource adequacy requirements. These are discussed further below in “Resource Adequacy.”

Zero-Emission Fleet Mandates. In 2023, CARB adopted the Advanced Clean Fleets (“ACF”) regulation, requiring certain medium- and heavy-duty (“MHD”) vehicle fleets to transition to zero-emission vehicles through purchase requirements or fleet composition requirements. It also accelerated a manufacturer zero-emission vehicle (“ZEV”) sales requirement to 100% of all MHD truck sales by the 2036 model year. While the rule was originally intended to apply to all publicly owned MHD vehicle fleets, large commercially-owned MHD fleets, and drayage trucks, CARB withdrew its request to EPA for a waiver and authorization, pursuant to CAA section 209(b) and (e), respectively, for the ACF regulation, leaving only public fleets subject to enforcement of the ACF requirements and suspending enforcement of the manufacturer truck sales requirement.

Under the ACF Rule, public fleets like SMUD have two compliance options. The first is a ZEV purchase requirement, under which 50% of annual MHD vehicle purchases would need to be ZEVs starting January 1, 2024, and 100% of annual MHD vehicle purchases would need to be ZEVs starting January 1, 2027. The second is an optional ZEV milestone option, under which the composition of the MHD fleet would need to meet certain ZEV percentages starting in 2025, with the entire fleet transitioned no later than 2042. The individual milestones depend on the number and category of vehicles in the fleet. Public fleets may opt into the ZEV milestone option until January 1, 2030. SMUD is currently complying with the purchase requirement option. SMUD plans to monitor ZEV market developments and currently anticipates opting into the ZEV milestone option, which may provide greater purchasing flexibility until more ZEV applications become available.

In August 2025, CARB proposed amendments to the ACF Rule to repeal regulatory provisions applicable to commercially-owned MHD fleets and drayage trucks. The 45-day amendments also included modest updates and clarifications to public fleet provisions, but did not materially change compliance requirements or exemption availability. Following CARB Board direction at the September 2025 hearing, SMUD anticipates CARB may propose incremental flexibility for public fleets within this rulemaking. However, the 15-day amendments have not yet been issued. It is unclear at this time what impact the changing electric vehicle market and amendments to the ACF Rule may have on the cost and ability for compliance.

Transportation and Building Electrification. The State has identified transportation and building electrification as key strategies to reduce greenhouse gas emissions and improve air quality. Increases in transportation and building electrification will result in increased customer usage of electricity. However, in recent years, these policies are facing headwinds.

For example, in 2025, Congress revoked the EPA waivers allowing enforcement of CARB's Advanced Clean Cars II and Advanced Clean Trucks regulations, which required vehicle manufacturers to increase sales of zero-emission cars and trucks, respectively. The CEC's Building Energy Efficiency Standards have increasingly encouraged the use of electric heat pumps in new homes and certain non-residential buildings across the state, including the 2025 Energy Standards that took effect January 1, 2026, that establish prescriptive heat pump requirements for both space and water heating in new homes. However, in 2025, through the budget trailer bill AB 130, the Legislature placed a temporary moratorium on updates to residential building energy standards, and as a result the 2028 Energy Standards will be limited to non-residential buildings only. The temporary moratorium will be lifted June 1, 2031. The State has provided funding for programs to encourage clean transportation and building electrification, but fluctuating budget pressures are likely to impact funding availability.

Renewables Portfolio Standard. Senate Bill 100 was passed by the Legislature and approved by Governor Brown on September 10, 2018. Among other requirements, the bill sets a 50% RPS target for 2026 and sets compliance period targets at 44% by December 31, 2024, 52% by December 31, 2027, and 60% by December 31, 2030. The bill also creates a statewide planning goal to meet all of the state's retail electricity supply with a mix of RPS-eligible and zero-carbon resources by December 31, 2045.

Resource Adequacy. In September 2005, the State Legislature enacted, and the Governor signed into law Assembly Bill 380 ("AB 380"), which requires the CPUC to establish resource adequacy requirements for all LSEs within the CPUC's jurisdiction. SMUD is not an LSE subject to the CPUC's jurisdiction. In 2005, the CPUC issued a decision requiring jurisdictional LSEs to demonstrate that they have acquired capacity sufficient to serve their forecast retail customer load plus a minimum 15% planning reserve margin. The CPUC in recent years has increased the minimum planning reserve margin, which currently is set at 18% for 2026.

AB 380 also required publicly owned utilities, including SMUD, to meet the most recent resource adequacy standard as adopted by the WECC. The WECC has yet to formally adopt a resource adequacy requirement. However, consistent with current WECC practices, SMUD utilizes a minimum 15% planning reserve margin when assessing the need for future resources, and in recent years SMUD has strived to attain a higher summer planning reserve margin.

In 2022, the State Legislature adopted Assembly Bill 209 (2022) (“AB 209”), which requires the CEC to develop recommendations about approaches to determining an appropriate planning reserve margin for local publicly owned utilities within the CAISO balancing authority area. In August 2024, the CEC issued its California Energy Resource and Reliability Outlook, which made several recommendations regarding the methodology for determining planning reserve margins. This report does not directly impact SMUD since SMUD is not in the CAISO; nevertheless, SMUD considers best practices when developing resource planning processes.

The State Legislature also passed Assembly Bill 1373 (2023) (“AB 1373”) that requires the CEC to submit a report to the Legislature that assesses whether each local publicly owned electric utility in California (both inside and outside the CAISO) exceeded, met, or failed to meet its minimum planning reserve margin for 2023. The report must also assess whether local publicly owned utilities met the planning reserve margin for June through September 2023 established by the CPUC’s June 2022 decision (i.e., 16%).

The CEC’s AB 1373 report, published in April 2024, showed that SMUD met its 15% planning reserve margin; it also acknowledged the limitations of the data CEC staff relied upon for this assessment. The report did not directly compare SMUD or other POU to the CPUC’s 16% planning reserve margin for 2023. The report also found that some POU within the CAISO were short compared to reported peak demand plus 15% planning reserve margin. AB 1373 also authorizes the CEC to annually assess a capacity payment on POU within the CAISO balancing authority area during a month in which the POU fails to meet its minimum planning reserve margin. The CEC initiated a docket in 2024 to develop regulations to implement the AB 1373 capacity payment, but only initiated the rulemaking process in February 2026. SMUD will not be impacted by these regulations because SMUD is within the BANC, rather than CAISO, balancing authority area.

To the extent the CEC or Legislature were to impose a higher POU planning reserve margin or required planning reserve methodologies for future years that includes SMUD, the ultimate impacts on SMUD’s financial results and operations are difficult to predict and are dependent on a variety of factors, such as the relative cost of procuring energy/capacity, the availability and relative cost of new technologies, and the adoption and implementation of energy efficiency and other measures by SMUD’s customers; however, such impacts could be material.

Sacramento-San Joaquin River Bay-Delta Processes. The Sacramento-San Joaquin River Delta is an expansive inland estuary, formed at the western edge of the California Central Valley by the confluence of the Sacramento and San Joaquin rivers (“Delta”). There are two substantial Delta planning processes with the potential to affect (1) energy available for SMUD’s purchase from the Central Valley Project (“CVP”) and (2) flows within the Upper American River watershed. These processes are called the Bay-Delta Water Quality Control Plan (“Bay-Delta Plan”) and the Delta Conveyance Project.

The Bay-Delta Water Quality Control Plan is updated periodically by the State Water Resources Control Board (“SWRCB”), the last time being in 2006. The current Bay-Delta Plan update process is being implemented in four phases. The first phase considered southern Delta water quality, with a significant focus on San Joaquin River tributaries. Phase 2, which is initially being addressed by a document under development by SWRCB staff, will address Sacramento River tributaries and various flow

related issues, including the critically important one of those tributaries' contribution to Delta outflow. Phase 3 will concern changes to water rights needed to implement Phase 2. A substantial change in Delta outflow requirements could have a major impact on the timing of hydroelectric energy generation by the CVP. SMUD has a long-term agreement with WAPA to purchase some of this power (see "POWER SUPPLY AND TRANSMISSION – Power Purchase Agreements – *Western Area Power Administration*"). On July 18, 2018, the SWRCB released an updated Framework document signaling its staff's intent to propose Delta outflow requirements of 45–65% unimpaired flows for the Sacramento River tributaries (which includes the American River, the upper portions of which are where the UARP sits), though the report will analyze requirements of 35–75%. If these criteria were implemented, they could cut CVP generation by 50 to 63%. Governor Newsom has urged the SWRCB, other agencies and affected parties to execute voluntary agreements (aka the "Healthy Rivers Agreements") to address species' needs and outflow requirements. Although the negotiations have been slow, it is expected they will eventually result in a reasonable compromise. However, in September 2023 the SWRB released a Staff Report/Substitute Environmental Document in Support of Potential Updates to the Bay-Delta Plan (the "Staff Report/Substitute Environmental Document") to justify the adoption of the unimpaired flow standard as set forth in the 2018 Framework document. Numerous public entities, including SMUD, filed comments stating that, among other things, the potential updates identified in the Staff Report/Substitute Environmental Document, if adopted, would violate the Porter-Cologne Water Quality Control Act and Article X, section 2 of the California Constitution, would not improve fish and wildlife, and would not reasonably protect all beneficial uses, including water supplies for millions of Californians and hydroelectric power generation that is essential to California's resilient energy grid. Moreover, the comments filed also stated that the Staff Report/Substitute Environmental Document does not comply with CEQA because, among other things, the analysis of the proposed inflow and habitat objectives' impacts on electrical peaking generation, and more generally electrical grid reliability, is not supported by substantial evidence and fails to satisfy informational requirements. In addition, the comments maintain that the Healthy Rivers Agreements are a superior approach to achieving the goal of maximizing both environmental and other beneficial uses. If the unimpaired flow standard is adopted and the Healthy Rivers Agreements do not come to fruition, SMUD plans to fully participate in all regulatory and legal proceedings to argue for consideration and minimization of impacts to hydropower generation. SMUD will assess the potential impacts of proposed modifications to the present outflow objectives on SMUD's operations once, or if, the SWRCB makes available information with enough specificity for SMUD to conduct the relevant modeling.

In July 2022, the DWR released a Draft Environmental Impact Report ("EIR") to evaluate the potential impacts of carrying out the Delta Conveyance Project; the U.S. Army Corps of Engineers released a separate Environmental Impact Statement to evaluate the effects of the project pursuant to the National Environmental Policy Act. The Delta Conveyance Project is expected to entail construction of two intakes on the Sacramento River that will carry water to a main tunnel to the California Aqueduct for delivery south of the Delta. The Delta Conveyance Project may pose the potential to exacerbate impacts to already imperiled aquatic species, and in turn could have indirectly prompted regulatory agencies to require third parties, such as SMUD, to compensate by making changes to their operations. The Bureau of Reclamation is not a party to the Delta Conveyance Project, which should eliminate the potential for CVP power to be used to supply Delta Conveyance Project pumps. SMUD will monitor the proceedings and participate as necessary to ensure any impacts to SMUD interests are minimized, including potentially filing a challenge to the water rights DWR would need to modify in order to carry out the project.

Proposition 26. Proposition 26 was approved by the electorate on November 2, 2010 and amends Article XIII A and Article XIII C of the State Constitution. Proposition 26 imposes a two-thirds voter approval requirement for the imposition of fees and charges by the State, unless the fees and charges are expressly excluded. It also imposes a majority voter approval requirement on local governments with respect to fees and charges for general purposes, and a two-thirds voter approval requirement with respect to fees and charges for special purposes, unless the fees and charges are expressly excluded. The initiative,

according to its supporters, is intended to prevent the circumvention of tax limitations imposed by the voters pursuant to Proposition 13, approved in 1978, and other measures through the use of non-tax fees and charges. Proposition 26 expressly excludes from its scope a charge imposed for a specific local government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable cost to the local government of providing the service or product. Proposition 26 is not retroactive as applied to local governments. Although SMUD believes its fees and charges meet the criteria of the exclusion described above, it is possible that Proposition 26 could be interpreted to further limit fees and charges for electric utility services and/or require stricter standards for the allocation of costs among customer classes. SMUD is unable to predict at this time how Proposition 26 will be interpreted by the courts or what its ultimate impact will be. As of the date of this Official Statement, SMUD is unaware of any fees or charges relating to SMUD's service that would have to be reduced or eliminated because of Proposition 26.

Wildfire Legislation. In response to catastrophic wildfires in California, legislation was adopted and signed into law requiring POU's (including SMUD), IOUs, and electrical cooperatives to construct, maintain and operate their electrical lines and equipment in a manner that will minimize the risk of catastrophic wildfire posed by electrical lines and equipment.

Senate Bill ("SB") 254 signed by Governor Newsom on September 19, 2025, revised WMP submittal requirements as mentioned above and, among other things, requires the California Earthquake Authority ("CEA") to complete a comprehensive assessment to analyze and develop long-term reforms that protect access to insurance, reduce litigation costs, provide fair and expeditious compensation to claimants, support wildfire mitigation, safety, and community resilience, and ensure large electrical corporations are accountable for safety and also have the financial health to attract low-cost capital on behalf of ratepayers. It is anticipated the CEA will submit recommendations to the legislature addressing utility liability reform and financial stability as well as alternative structures for socializing and distributing losses resulting from wildfire. SMUD will continue to monitor the CEA's recommendations.

Following the recent Southern California fires, several legislative proposals addressing wildfire risk and mitigation are anticipated. SMUD is unable to predict at this time the potential impact any such proposals will have on the operations and finances of SMUD or the electric utility industry generally.

Nonstock Security. SMUD sponsored legislation in 2019, Assembly Bill 689, which was signed into law by Governor Newsom on September 5, 2019. This bill expressly allows SMUD the ability to operate a pilot project (effective January 1, 2020, to January 1, 2025), of up to three acquisitions, to hold nonstock security in a corporation or other private entity if acquired as part of a procurement of goods or services from that entity, provided that no separate funding is expended solely for the nonstock security. This will allow SMUD to realize the financial benefits of its investments, partnerships, and intellectual property.

On September 15, 2022, the Board authorized the CEO & GM to enter into a joint collaboration agreement with ESS Tech, Inc. ("ESS"). Under that agreement SMUD would procure from ESS iron flow batteries for utility scale long-duration energy storage applications. The agreement contemplates a multi-year phased deployment of up to 200MW/2GWh of long duration energy storage by 2028. As part of that procurement, SMUD acquired nonstock security in ESS.

SMUD sponsored legislation in 2024, AB 2457 (McCarty), to extend the authority granted by Assembly Bill 689 to future years. AB 2457 was passed by the legislature and signed into law, taking effect on January 1, 2025. SMUD's pilot nonstock security authority is now extended to 2035, with six allowable acquisitions.

Air Quality Violation Fees. AB 1465 (Wicks, Statutes of 2024) increased existing air district civil penalty limits by a factor of up to three for emissions from a Title V source that contain one or more air contaminants. If a Title V emissions source was found to be in violation, the local air district may impose penalties that are triple the current rate. Typically, penalties are now assessed at \$5,000 per day (\$15,000 by Jan 1, 2025). SMUD has five Title V facilities. SMUD was able to get a letter on record that clarifies that this does not apply during declared emergencies.

Future Regulation

The electric industry is subject to continuing legislative and administrative reform. States and Federal entities routinely consider changes to the way in which they regulate the electric industry. Recently, both further deregulation and forms of additional regulation have been proposed for the industry, which has been highly regulated throughout its history. SMUD is unable to predict at this time the impact any such proposals will have on the operations and finances of SMUD or the electric utility industry generally.

OTHER FACTORS AFFECTING THE ELECTRIC UTILITY INDUSTRY

CAISO Market Initiatives

The CAISO routinely conducts a number of initiatives and stakeholder processes that propose certain operational and market changes that impact SMUD. SMUD does and will continue to monitor the various initiatives proposed by the CAISO and participate in its stakeholder processes to ensure that its interests are protected.

SMUD participates in the CAISO market for only a small percentage of energy needs, however, it continues to benefit from its participation in the WEIM and plans to participate in CAISO's Extended Day Ahead Market ("EDAM") (both the WEIM and EDAM are described further below). Along with monitoring other key market initiatives at the CAISO which impact wholesale energy markets, SMUD will continue to actively participate in all processes related to the WEIM and EDAM, to ensure both participation models are beneficial to SMUD's customers. Given its success in the WEIM and active engagement with the CAISO and CAISO leadership, SMUD has earned a key role in the stakeholder processes related to these important and evolving markets.

Western Energy Imbalance Market and Extended Day Ahead Market

Federal and state policymakers have long-promoted the development of organized markets in the west as a means (among other reasons) to better integrate intermittent renewable resources into the electric system, with the first such market being the WEIM, operated by the CAISO. The CAISO successfully launched the WEIM, a real time only imbalance market, on October 1, 2014, with PacifiCorp as the first participant. Since this time, the WEIM has grown significantly with the addition of 21 other Balancing Authority Areas (including BANC) which together comprise roughly 80% of the load in the Western Interconnection.

To date, participation in the WEIM by SMUD has shown significant financial and operational benefits, in addition to furthering an already favorable working partnership between SMUD and the CAISO to develop solutions to integrate renewable resources in support of carbon reduction goals.

BANC's participation not only signaled the first public power participant in the WEIM, but it was also implemented utilizing a unique phased approach, with SMUD (as the largest member of BANC) implementing so-called WEIM Phase 1 in 2019, while the other BANC members and WAPA (the "Phase 2 Parties") joined after further evaluation and approvals in March of 2021. The CAISO and WEIM

participants, including SMUD and BANC, have supported and participated in developing the extension of the successful WEIM real time framework to the EDAM. Like WEIM, EDAM broadens the access to regional resources for the reliable integration of renewable resources, only over a longer (day ahead) time horizon by allowing for a more economic and efficient optimization of regional resources by providing grid operators greater time (day ahead as opposed to real time) to commit or decommit units based on market price signals. Only participants in the WEIM will be allowed to extend their participation to EDAM. FERC approved the CAISO's EDAM tariff filing in 2024 and EDAM implementation activities have begun with EDAM launch scheduled for May 1, 2026 with PacifiCorp as the first participant. Similar to the process around WEIM participation, SMUD, along with BANC, performed cost-benefit studies that demonstrated EDAM participation will expand on the existing WEIM benefits and in August 2023, SMUD and BANC both approved participation in EDAM. On December 5, 2024, the CAISO filed an EDAM Implementation Agreement with BANC, which FERC approved on January 27, 2025. BANC and SMUD have begun implementation efforts with plans to participate in EDAM beginning Fall of 2027.

The Pathways Initiative ("Pathways") is seen as an important step in the evolution of the WEIM and EDAM. To support EDAM, and further development of a west-wide market, multiple state commissioners in the west, including California, issued a letter to the Western Interstate Energy Board in summer of 2023 calling for the creation of an independent entity that could serve as a means of delivering a market for western states. The Pathways Initiative was created, and a broad stakeholder committee proposed a multi- step process to create an independent governing body that would enable a path forward for a potential west-wide fully organized market (a Regional Transmission Organization, or RTO). An independent governing body is seen by many entities outside of California as critical to participating in EDAM and other future markets. Earlier in 2024, as the first step, the CAISO approved elevating the EIM/EDAM Governing Body joint authority with the CAISO Board to primary authority over EIM/EDAM market matters. The second step is creation of a non-profit entity and transfer of governance authority over EIM/EDAM markets from the CAISO to this new "Regional Organization." With the passage of AB 825 in 2025, which amends existing California law applicable to the CAISO market governance, this second step to form a Regional Organization is underway, with an anticipated January 2028 launch date. As of early 2026, the Regional Organization for Western Energy (ROWE) obtained its certificate of incorporation and continues to advance in other active work streams. Step 3 is potential continued future expansion of regionalized functions and services offered by the Regional Organization. SMUD views EDAM, and the ROWE development, as important steps forward in the evolution of Western energy markets and it aligns well with SMUD's 2030 Zero Carbon Plan goals.

Tariff Uncertainty

Recent fluctuations in federal and international trade policies, including the imposition or adjustment of tariffs on materials such as steel, solar panels, batteries, and other building materials and energy-related equipment, have introduced uncertainty into the pricing and availability of key components used in SMUD's operations and capital projects. In February 2026, the United States Supreme Court issued a ruling that the International Emergency Economic Powers Act does not authorize the President to unilaterally impose tariffs, including reciprocal tariffs. Sector specific and national security tariffs, including Section 232 tariffs on steel aluminum and copper and Section 301 tariffs on Chinese technology and intellectual property, remain in place as they rely on separate legal authorities and were not challenged in this case. In response to the Supreme Court ruling, President Trump announced a 10% temporary global tariff (with authority up to 15% for 150 days) under Section 122 of the 1974 Trade Act to replace some of his tariffs that were invalidated by the Supreme Court. In March 2026, Judge Richard K. Eaton of the U.S. Court of International Trade stated in his ruling that importers were due refunds for certain tariffs imposed under IEEPA, with the refund process being implemented by U.S. Customs and Border Protection. While SMUD monitors these developments, the future impacts of tariff-related volatility on SMUD's costs, procurement schedules, and project economics are uncertain and could be material.

Other Factors

The electric utility industry in general has been, or in the future may be, affected by a number of other factors which could impact the financial condition and competitiveness of many electric utilities and the level of utilization of generating and transmission facilities. In addition to the factors discussed above, such factors include, among others, (a) effects of compliance with rapidly changing environmental, safety, licensing, regulatory and legislative requirements other than those described above; (b) changes resulting from conservation and demand side management programs on the timing and use of electric energy; (c) changes resulting from a national energy policy; (d) effects of competition from other electric utilities (including increased competition resulting from mergers, acquisitions, and “strategic alliances” of competing electric and natural gas utilities and from competitors transmitting less expensive electricity from much greater distances over an interconnected system) and new methods of, and new facilities for, producing low cost electricity; (e) the repeal of certain federal statutes that would have the effect of increasing the competitiveness of many IOUs; (f) increased competition from independent power producers and marketers, brokers and federal power marketing agencies; (g) “self-generation” or “distributed generation” (such as solar, microturbines and fuel cells) by industrial and commercial customers and others; (h) issues relating to the ability to issue tax exempt obligations, including severe restrictions on the ability to sell to nongovernmental entities electricity from generation projects and transmission service from transmission line projects financed with tax exempt obligations; (i) effects of inflation on the operating and maintenance costs of an electric utility and its facilities; (j) changes from projected future load requirements; (k) increases in costs and uncertain availability of capital; (l) issues relating to supply chains and the uncertain availability or increased costs of necessary materials; (m) shifts in the availability and relative costs of different fuels (including the cost of natural gas); (n) sudden and dramatic increases in the price of energy purchased on the open market that may occur in times of high peak demand in an area of the country experiencing such high peak demand, such as has occurred in the State; (o) issues relating to risk management procedures and practices with respect to, among other things, the purchase and sale of natural gas, energy and transmission capacity; (p) other legislative changes, voter initiatives, referenda and statewide propositions; (q) effects of changes in the economy; (r) effects of possible manipulation of the electric markets; (s) natural disasters or other physical calamities, including, but not limited to, earthquakes, droughts, severe weather, wildfires and floods; (t) changes to the climate, including increasing volatility in rainfall in the Western United States and a reduction in the depth and duration of the Sierra snowpack; (u) issues relating to cyber-security; and (v) outbreaks of infectious diseases or the occurrence of pandemics. Any of these factors (as well as other factors) could have an adverse effect on the financial condition of any given electric utility, including SMUD’s electric utility, and likely will affect individual utilities in different ways.

SMUD is unable to predict what impact such factors will have on the business operations and financial condition of SMUD’s electric system, but the impact could be significant. SMUD has taken major steps to mitigate the impacts of many of the changes. This Official Statement includes a brief discussion of certain of these factors. This discussion does not purport to be comprehensive or definitive, and these matters are subject to change subsequent to the date hereof. Extensive information on the electric utility industry is available from the legislative and regulatory bodies and other sources in the public domain, and potential purchasers of any of SMUD’s Senior Bonds or Subordinated Bonds described in the forepart of this Official Statement should obtain and review such information.

Committee Chair Herber then turned to Agenda Item 2, to discuss the monitoring report for Strategic Direction SD-6, Safety Leadership.

Emily Bacchini, Director of Safety, Environmental and Real Estate Services, gave a presentation on Agenda Item 2. A copy of the slides used in her presentation is attached to these minutes.

No public comment was received for Agenda Item 2.

This item was placed on the Consent Calendar for April 16, 2026, Board of Directors meeting.

Committee Chair Herber then turned to Agenda Item 3, to discuss proposed revisions to Strategic Direction SD-6, Safety Leadership.

Emily Bacchini, Director of Safety, Environmental and Real Estate Services, gave a presentation on Agenda Item 3. A copy of the slides used in her presentation is attached to these minutes.

No public comment was received for Agenda Item 3.

This item was placed on the Consent Calendar for the May 21, 2026, Board of Directors meeting.

Committee Chair Herber then turned to Agenda Item 4, to discuss, with possible amendment, Governance Process GP-12, Board Compensation and Benefits.

Matthew Powell, Interim Director of People Services & Strategies, gave a presentation on Agenda Item 4. A copy of the slides used in his presentation is attached to these minutes.

No public comment was received for Agenda Item 4.

This item was placed on the Discussion Calendar for the April 16, 2026, Board of Directors meeting.

Committee Chair Herber then turned to Agenda Item 5, Board Monitoring: Governance Process GP-2, Governance Focus; Governance Process GP-4, Board/Committee Work Plan and Agenda Planning; and Governance Process GP-13, Core and Key Values.

Committee Chair Herber provided a presentation on Agenda Item 5, which incorporated responses to surveys previously circulated to the

Board regarding the policies. A copy of the slides used in her presentation is attached to these minutes.

No public comment was received for Agenda Item 5.

Committee Chair Herber then turned to Agenda Item 6, Board Work Plan.

President Tamayo gave a presentation on Agenda Item 6. A copy of the slides used in his presentation is attached to these minutes.

No public comment was received for Agenda Item 6.

Committee Chair Herber then turned to Agenda Item 7, statements from the public regarding items not on the agenda, but none were forthcoming. She stated that written comments received on items not on the agenda would be provided to the Board electronically and placed into the record if received within two hours after the meeting ended. No comments were received for Agenda Item 7.

Committee Chair Herber requested the Summary of Committee Direction, and General Counsel Lewis provided the following summary:

- Staff will provide additional information on causes of car-pole accidents and our prevention efforts.
- Staff will place the Governance Process GP-12, Board Compensation and Benefits on the Discussion Calendar for next week's Board meeting.
- Board will discuss potential changes to GP-4 Board/Committee Work Plan and Agenda Planning with Eric Douglas.

No further business appearing, Committee Chair Herber adjourned the meeting at 8:18 p.m.

Approved:

Committee Chair

Secretary

Exhibit to Agenda Item #1

Approve the SMUD disclosure in the **Transmission Agency of Northern California (TANC) Preliminary Official Statement** for the **TANC 2026 Refunding Bonds** and authorize the Chief Executive Officer and General Manager to determine that the information in the **Preliminary Official Statement** is final.

Board Policy Committee and Special SMUD Board of Directors Meeting
Tuesday, April 7, 2026, immediately following Strategic Development Committee meeting scheduled to begin at 6:00 p.m.

SMUD Headquarters Building, Auditorium

Background: Transmission Agency of Northern California

- The Transmission Agency of Northern California (TANC) is Joint Powers Authority created to build and operate a transmission line from the California-Oregon border into California
- SMUD is a Member of TANC and uses it to supply low- or carbon-free power from the Northwest
- Starting on May 1, 2026, TANC can pay off \$144 million of debt early, by refinancing the bonds and save approximately \$2 million per year in interest
- As a result of the refinancing, SMUD is expected to save approximately \$700,000 annually for the next 13 years
- The TANC Commission will likely approve the Official Statement (OS) disclosure document on April 15, 2026, for a potential bond refunding
- TANC's five largest members, including SMUD, must include their disclosure documents in TANC's OS

Exhibit to Agenda Item #2

Discuss the monitoring report for **Strategic Direction SD-6, Safety Leadership.**

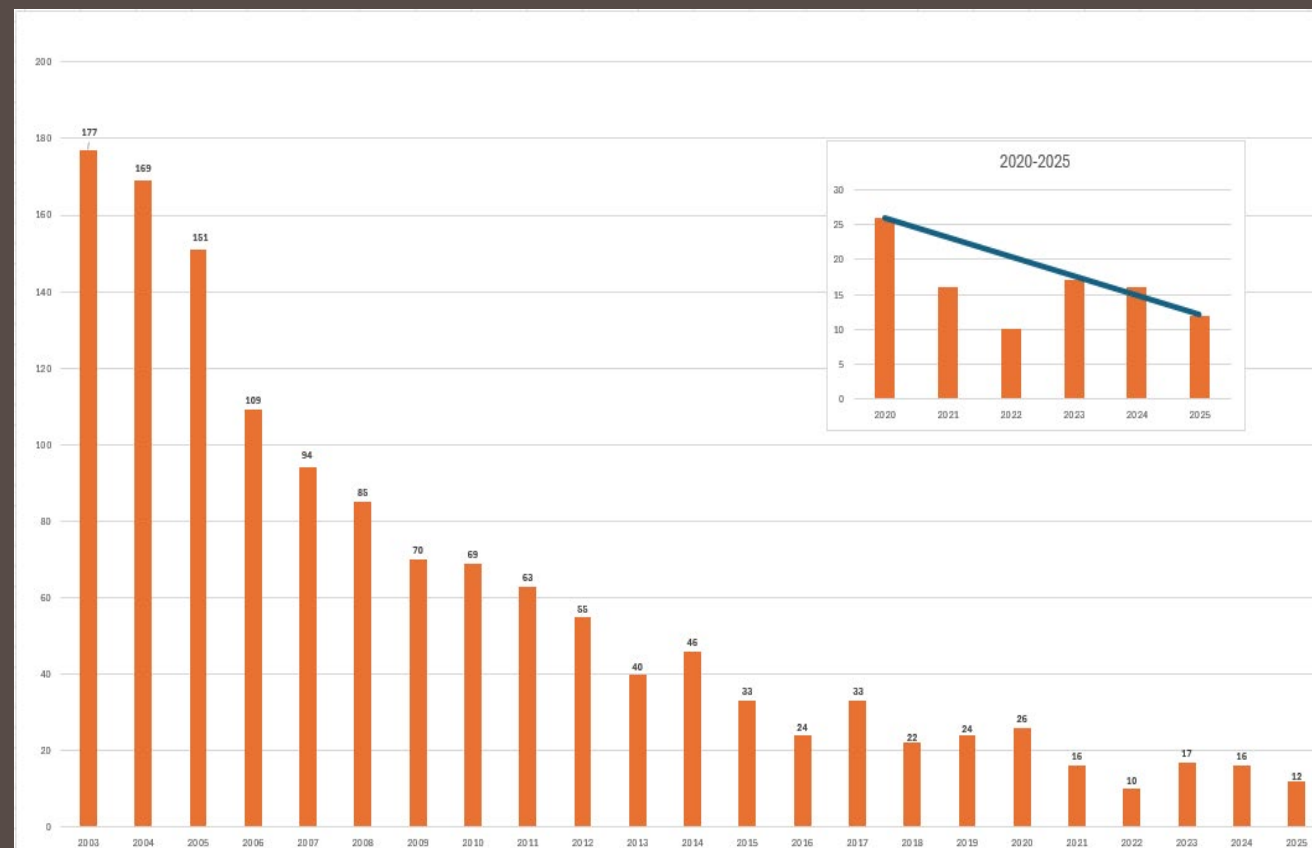
Board Policy Committee and Special SMUD Board of Directors Meeting
Tuesday, April 7, 2026, immediately following the Strategic Development
Committee meeting scheduled to begin at 6:00 p.m.

SMUD Headquarters Building, Auditorium

Workplace Safety 2025

- Days Away Restricted Time (DART)
2025 Board Limit: 13
- 2025 DARTs: 12
- 2025 OSHA Recordables: 34
- DART Rate = 0.54
 - (Industry Standard = 1.2)

Increased awareness around supporting team members, being fit for duty, mindful of external distractions, stop work authority and avoiding complacency,



Number of DART Cases by year

Quality Care

Quality care of injured employees is measured through the Workers' Compensation program's performance, which is assessed annually by an independent actuary.

This Workers Compensation report covers case data annually ranging from the timeframe of **July to June** the following year.

	2021	2022	2023	2024	2025
No. of Claims (Medical & Indemnity)	59	54	46	63	68
Incident rate per 100 employees	2.4	2.2	1.8	2.0	2.2
Rates per \$100 payroll	0.85	0.67	0.58	0.50	.40*

*** Rate per \$100 of payroll are at historic lows**

Contractor Safety

- 174 SMUD Contractors currently in the International Supplier Network (ISN)
- 501 Field Visits in 2025 which exceeded the 2025 target of 250
- Onboarded two new Vegetation Line Clearance Contractors
- Expanded use of ISN training tool to provide Contractors with SMUD-specific trainings



Public Safety

Public Safety Standard Published This Year

Public Safety Events

- Deterding Elementary School “Public Safety Day”
- Elk Grove “Regional Public Safety Day”
- Sacramento Metro “Kid’s FIRE CAMP”
- Jackson Laboratory “Employee Safety Day”
- Safetyville “Public Safety Day”

New Initiatives:

- Approved and began planning for First Responder Resource page that will provide educational materials to First Responders

Statistics:

- 218 Vehicle Vs. Asset collision incidents
- 3 Electrical Contacts
- 84 Dig-ins (Underground Line Strikes)



Safety for Life

Slow down to speed up.

Vehicle safety

- GPS vehicle reports
- PVA Corrective Action Sub-Committee
- Smith System instruction and messaging



Learning culture

- Strengthens organizational resilience
- Engagement and accountability
- Aligns with strategic excellence



Field ergonomics

- Proactive risk mitigation
- Employee health & performance
- Strategic alignment with safety culture

You have Stop Work Authority.

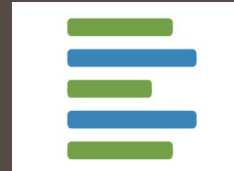
Employee support

- Joint labor committees
- Medical treatment
- Medical monitoring

ACT! Awareness. Communication. Teamwork.

Supervisor-employee interactions

- 10,609 interactions
- Focus on both field and office staff
- Power BI dashboard



Accident and incident investigation

- Strengthening safety team investigations
- Driving accountability and continuous improvement
- Root cause analysis for high-risk events



Safety conducted observations reduce common hazards (SCORCH)

- 2,483 office & 1,040 field employees observed
- Office at-risk – hips/legs/feet posture
- Field At-Risk – tailboard and eyes, face, skin protection



Safety for Life

- 199 postcards & quarterly newsletters
- Safety & Environmental Day planning
- Readership for newsletter has increased

Exhibit to Agenda Item #3

Discuss proposed revisions to **Strategic Direction SD-6, Safety Leadership.**

Board Policy Committee and Special SMUD Board of Directors Meeting
Tuesday, April 7, 2026, immediately following the Strategic Development
Committee meeting scheduled to begin at 6:00 p.m.

SMUD Headquarters Building, Auditorium

Current SD-6 language

Creating a safe environment for employees and the public is a core value of SMUD.

Through best practice methods and continuous improvement, SMUD will be recognized as a leader in employee safety while also assuring the safety of the public related to SMUD operations and facilities. SMUD commits to a proactive approach, including the active involvement of SMUD leadership, employees, contractors, and the community, as well as comprehensive monitoring of organizational and public safety performance.

Therefore, SMUD will continue to improve safety results to:

Workplace Safety

- i. Reduce SMUD's injury severity incidents to 13 or less than by 2025, as measured by OSHA's Days Away Restricted Time (DART), a rate that demonstrates top quartile safety performance for similar size utilities using the Bureau of Labor Statistics (BLS) work-related safety data.
- ii. Provide timely, quality health care for injured employees that aids their recovery while maintaining positive financial performance of the workers' compensation program.

Contractor Safety

- i. Support contractors to reduce and eliminate potential hazards for Serious Injuries and/or Fatality (SIF) when conducting high risk work.

Public Safety

- i. Track and report injuries to the public related to SMUD operations or facilities.
- ii. implement measures to protect the public from injuries related to SMUD operations or facilities

Proposed updated SD-6 language (red-lined)

Creating a safe environment for employees and the public is a core value of SMUD.

Through best practice methods and continuous improvement, SMUD will be recognized as a leader in employee safety while also assuring the safety of the public related to SMUD operations and facilities. SMUD commits to a proactive approach, including the active involvement of SMUD leadership, employees, contractors, and the community, as well as comprehensive monitoring of organizational and public safety performance.

Therefore, SMUD will continue to improve safety results to:

Workplace Safety

- i. Reduce SMUD's **severe safety** incidents to **0 by 2030**, as measured by OSHA's Days Away Restricted Time (DART), ~~a rate that demonstrates top quartile safety performance for similar size utilities using the Bureau of Labor Statistics (BLS) work-related safety data.~~
- ii. Provide timely, quality health care for injured employees that aids their recovery while maintaining positive financial performance of the workers' compensation program.

Contractor Safety

- i. Support contractors to reduce and eliminate potential hazards for Serious Injuries and/or Fatalities **es** (SIF) when conducting high risk work.

Public Safety

- i. Track and report **incidents involving** the public related to SMUD operations or facilities.
- ii. Implement measures to protect the public from injuries related to SMUD operations or facilities.

Proposed updated SD-6 language

Creating a safe environment for employees and the public is a core value of SMUD.

Through best practice methods and continuous improvement, SMUD will be recognized as a leader in employee safety while also assuring the safety of the public related to SMUD operations and facilities. SMUD commits to a proactive approach, including the active involvement of SMUD leadership, employees, contractors, and the community, as well as comprehensive monitoring of organizational and public safety performance.

Therefore, SMUD will continue to improve safety results to:

Workplace Safety

- i. Reduce SMUD's severe safety incidents to 0 by 2030, as measured by OSHA's Days Away Restricted Time (DART).
- ii. Provide timely, quality health care for injured employees that aids their recovery while maintaining positive financial performance of the workers' compensation program.

Contractor Safety

- i. Support contractors to reduce and eliminate potential hazards for Serious Injuries and/or Fatalities (SIF) when conducting high risk work.

Public Safety

- i. Track and report incidents involving the public related to SMUD operations or facilities.
- ii. Implement measures to protect the public from injuries related to SMUD operations or facilities.

Exhibit to Agenda Item #4

Discuss, with possible amendment, **Governance Process GP-12, Board Compensation and Benefits.**

Board Policy Committee and Special SMUD Board of Directors Meeting
Tuesday, April 7, 2026, immediately following the Strategic Development
Committee meeting scheduled to begin at 6:00 p.m.

Auditorium, SMUD Headquarters Building

GP-12: Board Compensation & Benefits

GP -12 Sets forth Board's policy for Board member compensation and benefits

- Based on MUD Act section 11908.1 "...annual adjustment of not more than five percent for each calendar year following the operative date of the last adjustment."
- Ability to increase amount no greater than \$341.00 (not to exceed 10 days of service per month)
- Prohibited from automatically adjusting compensation every year

Current Compensation:

Board last updated per day compensation in July 2025 to \$325.00 per event and meeting attendance (max of \$3,250 per calendar month)

Compensation Options

Option: Max Adjustment (\$341 cap)		
	5% Adj	\$325.00 Start
2026	5.00%	\$341.00

Option: Adjustment Based on 2025 CPI		
	CPI Annual	\$325.00 Start
2026	2.7%	\$334.00

GP-12: Process Recommendation from the Board

Exhibit to Agenda Item #5

Board Monitoring: Governance Process GP-2, Governance Focus; Governance Process GP-4, Board/Committee Work Plan and Agenda Planning; and Governance Process GP-13, Core and Key Values.

Board Policy Committee and Special SMUD Board of Directors Meeting
Tuesday, April 7, 2026, immediately following the Strategic Development
Committee meeting scheduled to begin at 6:00 p.m.

SMUD Headquarters Building, Auditorium

Monitoring GP-2, Governance Focus

The Board will govern with an emphasis on: (i) outward vision rather than an internal preoccupation; (ii) encouragement of diversity in viewpoints; (iii) strategic leadership more than administrative detail; (iv) clear distinction of Board and CEO roles; (v) collaborative rather than individual decisions; (vi) the future rather than past or present; and (vii) proactive thinking.

Specifically:

- a) The Board will cultivate a sense of group responsibility. It will be responsible for excellence in governing. The Board will be an initiator of policy and use the expertise of individual members to enhance the ability of the Board as a body.

Monitoring GP-2, Governance Focus (cont.)

- b) The Board will direct, evaluate and inspire the organization through the establishment of written policies reflecting the Board's values. The Board's major policy focus will be on SMUD's intended impacts outside the organization, not on the administrative or programmatic means of achieving those effects.
- c) Continual Board development will include orientation of new Board members in the Board's governance policies and processes, periodic re-orientation of existing Board members, and regular Board discussion of process improvement.

Compliance Scores:

High 5

Med

Low

Monitoring GP-2, Governance Focus (cont.)

- d) The Board will regularly discuss and evaluate its performance. Self-monitoring will include comparison of Board activities and discipline to policies adopted by the Board. It will be up to the Board president or committee chair to determine the appropriate manner of this feedback and evaluation.

Compliance Scores:

High 4

Med 1

Low

Monitoring GP-4, Board/Committee Work Plan and Agenda Planning

To accomplish its strategic leadership consistent with Board policies, the Board will develop and follow an annual work plan that ensures the Board: (i) focuses on the results the Board wants the organization to achieve; (ii) defines the conditions of SMUD that it considers acceptable and unacceptable; (iii) meets its other obligations as stated by law or policy; and (iv) continually improves its performance through education, feedback, and deliberation. The Board work plan shall guide SMUD staff in preparing the agendas for regular board meetings and standing committee meetings.

Monitoring GP-4, Board/Committee Work Plan and Agenda Planning (cont.)

Specifically:

a) Board Work Plan

- a. The Board will develop each year a list of topics and issues that it wishes to explore in the coming years and maintain a work plan that will be regularly reviewed by the Board or a standing committee.
- b. The Board President shall ensure that the Board's agendas meet the goals of the annual work plan

Compliance Scores:

High 5

Med

Low

Monitoring GP-4, Board/Committee Work Plan and Agenda Planning (cont.)

b) Board Agendas

- a. Board agendas shall be posted on the SMUD website at www.smud.org least 72 hours prior to a regular Board meeting and at least 24 hours before a special Board meeting.
- b. Only members of the Board and the Chief Executive Officer and General Manager (CEO) and his or her designees may place items on the Board agenda.
- c. Items for placement on the agenda fall into the following categories:
 - i. Items generated by SMUD management;
 - ii. Items placed on the agenda by a Board member;
 - iii. Presentations by outside persons or agencies that have received approval for placement on an agenda from the Board President (see Meeting Procedures of the SMUD Board of Directors for details).

Monitoring GP-4, Board/Committee Work Plan and Agenda Planning (cont.)

- d. To the extent possible, when the Board conducts its regular review of the Board Work Plan, a Board member should notify the other Board members if the member intends to place an item on the agenda for discussion at a Board meeting. Governance Process GP-4 Page 2 of 4 Board/Committee Work Plan and Agenda Planning.

Compliance Scores:

High 5

Med

Low

Monitoring GP-4, Board/Committee Work Plan and Agenda Planning (cont.)

- e. When a Board member wishes to invite people to make a presentation at a Board meeting, the Board member should coordinate with the Board President and CEO. When a Board member invites people to speak at a Board meeting during the public comment period, the Board member should notify the Board President in advance of the meeting to ensure the efficient management of public comment.
- f. Items may be placed on the agenda on either the consent calendar or the discussion calendar. An item placed on the consent calendar may be moved from the consent calendar to the discussion calendar at the request of any Board member, prior to a motion and a second on the consent calendar.

Monitoring GP-4, Board/Committee Work Plan and Agenda Planning (cont.)

- g. A Board member may propose at the beginning of the meeting to pull an item from the agenda. Upon a motion and a second, the Board may vote to approve the agenda as revised.
- h. Matters not on the agenda for a regular meeting will not be considered by the Board at that meeting except: (1) upon determination by a majority of the Board that an emergency situation exists, severely impairing public health and/or safety; or (2) upon a determination by a two-thirds vote of the Board or by a unanimous vote if less than two-thirds of the members are present, that the need to take action arose subsequent to the agenda being posted; or (3) as otherwise permitted under the Ralph M. Brown Act of the California Government Code.
- i. Whenever an item has been approved for consideration by the Board under paragraph b) viii) of this policy, the Board President will read, upon introducing the item for Board consideration, a brief summary which shall include the subject title, a short explanation of the subject matter, and, if any, the recommendation.

Monitoring GP-4, Board/Committee Work Plan and Agenda Planning (cont.)

- j. Matters on the agenda for regular meetings which have not been considered and acted upon at such meetings or continued to a subsequent meeting will be deemed continued to the following regular meeting until they can be relisted as a regular item.
- k. Whenever the Board fails to take action on an item on the Board's agenda, the Board will set a date for reconsideration of the item. If for any reason the Board fails to set such a date, the Board Secretary will list all such items as a "pending item" on the action item section of the next regular agenda for which the Board Secretary is accepting items.

Comments:

Is clause H still legal and applicable, given recent changes to the Brown Act?

Compliance Scores:

High 4

Med 1

Low

Monitoring GP-4, Board/Committee Work Plan and Agenda Planning (cont.)

c) Committee Agendas

- a. Committee agendas shall be posted on the SMUD website at www.smud.org at least 72 hours prior to the committee meeting.
- b. Items may be placed on a committee agenda either by a decision by the full Board, the Board President, a Board member, or by the CEO and his or her designees.
- c. To the extent possible, when the Board conducts its regular review of the Board Work Plan, a Board member should notify the other Board members if the member intends to place an item on the agenda for discussion at a committee meeting.

Monitoring GP-4, Board/Committee Work Plan and Agenda Planning (cont.)

- d. When a Board member wishes to invite people to make a presentation at a committee meeting, the Board member should coordinate with the committee chair and the CEO. When a Board member invites people to speak at a committee meeting during the public comment period, the Board member should notify the committee chair in advance of the meeting to ensure the efficient management of public comment.
- e. Members of the public may request the opportunity to be listed on a committee agenda for purposes of making a presentation at a committee meeting on matters within SMUD's jurisdiction. The committee chair will review all complete presentation requests and may, at his or her discretion, direct the responsible staff to list the presentation on the committee's agenda. (See Meeting Procedures of the SMUD Board of Directors for details).

Comments:

We are meeting the current language in this policy. But, when we invite presenters to our meetings, they need to provide slides that can be posted publicly on our website for viewing by the public prior to the meeting, and after the meeting.

Compliance Scores:

High 5

Med

Low

Monitoring GP-4, Board/Committee Work Plan and Agenda Planning (cont.)

d) Issuance of Agendas

- a. The Board Secretary's office, under the direction of the CEO and the Board President, shall prepare and issue an agenda for each regular meeting and special meeting of the Board.
- b. The Executive Management team, under the direction of the CEO and in coordination with the standing committee chairs, shall prepare and issue an agenda for each standing committee meeting.
- c. Proposed Board agendas will be reviewed by the Board President and proposed committee agendas will be reviewed by the committee chair prior to the development of the relevant public notices.

Compliance Scores:

High 5

Med

Low

Monitoring GP-13, Core and Key Values

In articulating its values, the Board distinguishes between “core” values and “key” values. Core values are deemed essential for the success of SMUD and for serving SMUD’s customers. Key values provide added value to our customers. Key values are subordinate to the core values.

Compliance Scores:

High 5

Med

Low

Exhibit to Agenda Item #6

Board Work Plan.

Board Policy Committee and Special SMUD Board of Directors Meeting
Tuesday, April 7, 2026 immediately following the Strategic Development
Committee Meeting scheduled to begin at 6:00 p.m.

SMUD Headquarters Building, Auditorium

Board Work Plan

4/14/2026	FINANCE & AUDIT	SMUD's Financial Results and current Power Supply Costs	G. Vaughn
	6:00 p.m.	Internal Audit Services Reports	C. Rogers
		Itron Sole Source Contract for Meters	C. Fallon
		Contract Award for Environmental & CEQA Support Services	E. Bacchini
		Approval of Water Forum Memorandum of Understanding (MOU)	J. Schofield
		Solar and Storage Rate Update	A. Hernandez
4/15/2026	ERCS	Zero Carbon Plan Update	J. Langdon
	6:00 p.m.	<i>no other items may be added</i>	
4/16/2026	BOARD		
	6:00 p.m.		
5/12/2026	STRATEGIC	Upper American River Project (UARP) Climate Impacts	J. Langdon
	6:00 p.m.		

Board Work Plan (cont.)

5/13/2026	POLICY	SD-8 Monitoring Report - Employee Relations	M. Powell M. Webster
	6:00 p.m.	SD-12 Monitoring Report - Ethics	M. Powell M. Webster
		SMUD's Utility Security Plan	K. DePersis
		Board Monitoring: GP-11 Board Review of Internal Records; GP-14 External Auditor Relationship; and BL-5 Unity of Control	R. Herber
		Work Plan	D. Tamayo

5/19/2026	FINANCE & AUDIT	Quarterly Procurement Report for Q1 2026	C. Fallon
	6:00 p.m.	SMUD's Financial Results and current Power Supply Costs	G. Vaughn
		Bond Issuance	J. Restivo
		LiDAR, Remote Sensing and Data Acquisition Services Contract Award	L. Raley
		Call Election for Wards 3, 4, 6 & 7	L. Lewis
		Update to 2026 Salary/Wage Schedule	M. Powell
		Internal Audit Services Reports	C. Rogers

Board Work Plan (cont.)

5/20/2026	ERCS		
	6:00 p.m.		
5/21/2026	BOARD		
	6:00 p.m.		
6/9/2026	STRATEGIC	Resource Adequacy and Summer Readiness	J. Olson
	6:00 p.m.		
6/10/2026	POLICY	SD-4 Monitoring Report - Reliability	A. Singh
	6:00 p.m.	Board Monitoring: BL-6, Evaluation of the CEO's Performance; BL-7 Delegation to the CEO; and BL-8 Delegation to the CEO with Respect to Procurement	R. Herber
		Work Plan	D. Tamayo
6/16/2026	FINANCE & AUDIT	SMUD's Financial Results and current Power Supply Costs	G. Vaughn
	6:00 p.m.	Internal Audit Services Reports	C. Rogers
		Contract Award for Civil Annual Construction	E. Poff
		Contract Award for On-call Remediation and Environmental Services	E. Bacchini
		Contract Award for LiDAR, Remote Sensing & Data Acquisition Services	L. Raley
		Contract Award for System Integrator for SAP S/4HANA Implementation Project	Y. Palaniappan

Parking Lot

Presentations:

None.

Discussions:

None.

Memos:

- General update on fusion

Sacramento, California

April 16, 2026

The Board of Directors of the Sacramento Municipal Utility District met in regular session simultaneously in the Auditorium of the SMUD Headquarters Building at 6201 S Street, Sacramento, and via virtual meeting (online) at 6:02 p.m.

Roll Call:

Presiding: President Tamayo

Present: Directors Rose (6:14 p.m.), Bui-Thompson, Fishman, Herber, Kerth, and Sanborn

Present also were Paul Lau, Chief Executive Officer and General Manager; Laura Lewis, Chief Legal & Government Affairs Officer and General Counsel and Secretary, other members of SMUD's executive management; and SMUD employees and visitors.

Director Bui-Thompson shared the 2030 Climate Action Tip.

President Tamayo called for approval of the agenda. Director Herber moved for approval of the agenda, Vice President Kerth seconded, and the agenda was approved by a vote of 6-0, with Director Rose absent.

Director Sanborn, Chair, presented the report for the Strategic Development Committee meeting held on April 7, 2026.

Director Herber, Chair, presented the report for the Policy Committee meeting held on April 7, 2026.

Director Bui-Thompson, Vice Chair, presented the report for the Finance & Audit Committee meeting held on April 14, 2026.

Director Bui-Thompson, Chair, presented the report for the Energy Resources & Customer Services Committee meeting held on April 14, 2026.

Director Rose arrived at 6:14 p.m.

President Tamayo then called for public comment for items on the agenda, but none was forthcoming.

President Tamayo then addressed the Consent Calendar consisting of Items 3 through 9. Director Sanborn moved for approval of the

Consent Calendar, Director Fishman seconded, and Resolution Nos. 26-04-02 through 26-04-07 were unanimously approved.

RESOLUTION NO. 26-04-02

**BE IT RESOLVED BY THE BOARD OF DIRECTORS
OF THE SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

That this Board hereby approves Board member compensation for service rendered at the request of the Board (pursuant to Resolution No. 25-04-02) for the period of March 16, 2026, through April 15, 2026.

Approved: April 16, 2026

INTRODUCED: DIRECTOR SANBORN				
SECONDED: DIRECTOR FISHMAN				
DIRECTOR	AYE	NO	ABSTAIN	ABSENT
TAMAYO	X			
ROSE	X			
BUI-THOMPSON	X			
FISHMAN	X			
HERBER	X			
KERTH	X			
SANBORN	X			

RESOLUTION NO. 26-04-03

**BE IT RESOLVED BY THE BOARD OF DIRECTORS
OF THE SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

This Board accepts the monitoring report for **Strategic Direction SD-6, Safety Leadership**, substantially in the form set forth in **Attachment A** hereto and made a part hereof.

Approved: April 16, 2026

INTRODUCED: DIRECTOR SANBORN				
SECONDED: DIRECTOR FISHMAN				
DIRECTOR	AYE	NO	ABSTAIN	ABSENT
TAMAYO	X			
ROSE	X			
BUI-THOMPSON	X			
FISHMAN	X			
HERBER	X			
KERTH	X			
SANBORN	X			

SACRAMENTO MUNICIPAL UTILITY DISTRICT

OFFICE MEMORANDUM

TO: Board of Directors

DATE: March 23, 2026

FROM: Claire Rogers *CR 3/23/26*

SUBJECT: Audit Report No. 28008024
Board Monitoring Report; SD-6: Safety Leadership

Internal Audit Services (IAS) received the SD-6 *Safety Leadership* second-half 2025 Annual Board Monitoring Report and performed the following:

- Selected a sample of statements and assertions in the report for review.
- Compared sample to the corresponding supporting documentation to identify potential discrepancies.

All items sampled within the SD Report aligns with the supporting documentation provided at the time of review.

CC:

Paul Lau

Board Monitoring Report 3rd and 4th Quarters, 2025 Strategic Direction SD-6, Safety Leadership



1. Background

Strategic Direction (SD) 6, Safety Leadership states that:

Creating a safe environment for employees and the public is a core value of SMUD.

Through best practice methods and continuous improvement, SMUD will be recognized as a leader in employee safety while also assuring the safety of the public related to SMUD operations and facilities. SMUD commits to a proactive approach, including the active involvement of SMUD leadership, employees, contractors, and the community, as well as comprehensive monitoring of organizational and public safety performance.

Therefore, SMUD will continue to improve safety results to:

a) Workplace Safety

- i. Reduce SMUD's injury severity incidents to 13 or less than by 2025, as measured by OSHA's Days Away Restricted Time (DART), a rate that demonstrates top quartile safety performance for similar size utilities using the Bureau of Labor Statistics (BLS) work-related safety data.
- ii. Provide timely, quality health care for injured employees that aids their recovery while maintaining positive financial performance of the workers' compensation program.

b) Contractor Safety

- i. Support contractors to reduce and eliminate potential hazards for Serious Injuries and/or Fatality (SIF) when conducting high risk work.

c) Public Safety

- i. Track and report injuries to the public related to SMUD operations or facilities.
- ii. Implement measures to protect the public from injuries related to SMUD operations or facilities.

2. Executive Summary

SMUD is in compliance with SD-6 and is in alignment with SMUD's 5-year strategy of working toward a zero-incident culture.

Workplace Safety

In 2021, SMUD's Board set a goal in SD-6 to reduce the number of DART cases by 50% from 26 in 2021 to 13 in 2025. We exceeded that five-year goal in 2025, in having only 12 DART cases. We recorded 34 OSHA recordable cases, including 12 DART cases and 22 other

recordables in 2025. This represents a 25% reduction in DART cases compared to 2024 (16). . Increased safety awareness in Q3, combined with strong partnerships between leadership and frontline employees, helped slow the Q3 incident increase that had been trending in prior years. This improvement is also attributed to greater supervisor–employee engagement, increased field presence, and more intentional safety conversations. As a result, SMUD’s DART rate of 0.54 is approximately 55% lower than the current industry average of approximately 1.2.

Quality care of injured employees is measured through the Workers’ Compensation program’s performance, which is assessed annually by an independent actuary. SMUD continues to have a reduction in indemnity benefits over the past five years as presented below, even as the number of claims increased.

Fiscal Year	2021	2022	2023	2024	2025
No. of Claims (Medical & Indemnity)	59	54	46	63	68
Incident rate per 100 employees	2.4	2.2	1.8	2	2.2
Rates per \$100 payroll	.85	.67	.58	.50	.40

Contractor Safety

SMUD continues to use International Suppliers Network (ISN) to evaluate safety records and performance for high-risk contractors and bidders. This evaluation focuses on Contractor Fatality History, OSHA Citation History, DART and Total Recordable Incident Rates (TRIR), Insurance Experience Ratio, Safety Culture Questions, and Safety Program Review. Currently SMUD has **174** contractors in the ISN system.

This year we have increased the number of site safety evaluations for high-risk contractors to validate safety performance on the jobsites. Safety completed 501 **site safety visits** in 2025 which exceeded our 2025 goal of **250 safety visits**. These visits focus on SMUD contractors who work with Power Generation, Line, Substation, Facilities, Vegetation Management and Environmental Services on projects where high-risk work is performed. This work includes high voltage work, working at heights, vegetation management, confined spaces, excavations, etc. SMUD has onboarded two new Vegetation Line Clearance Contractors and focused audits have been completed by SMUD’s Contractor safety Team and Vegetation Management Team. The Safety Management System (SMS) system is utilized for inspections, incident tracking, reporting and investigations of SMUD contractors. This allows SMUD to verify safe working practices by our contractors to reduce the potential for serious injuries or property damage. Contractor reported incidents require an investigation to be completed and typically will warrant additional site safety visits to verify corrective measures have been put into place to reduce further occurrences.

The Contractor Safety Team is expanding the use of the ISN safety training qualifications tool. This tool will allow a more efficient method of verifying Contractor Employee qualifications. This tool allows SMUD to verify individual Contractor Employee qualifications and assures appropriate competence for the high hazard work. An additional example of this is the SMUD Substation Entry Training, UARP Training and Vegetation Management Onboarding that will allow SMUD to communicate safe work practice expectations to our contractors through the ISN platform. The Contractor Safety Team continued its partnership with the Vegetation Management Team for the 2025 Contractor Safety Day, New Contractor Onboarding event, and

the mock storm event. These events are an effective way to reach and set expectations for our Vegetation Contractor employees doing high risk work.

Public and Community Safety

Public Safety Statistics

SMUD tracks public and community incidents in the Safety Incident Tracking System (SITS) involving car-pole, electrical contacts, dig-in incidents, and injuries to the public that are related to SMUD's operations or facilities. The following statistics are reported for 2025:

- There were 235 incidents where the public struck a SMUD asset with a vehicle, with four fatalities from such events.
- There were 3 electrical contacts reported.
- There were 84 dig-in incidents reported with no injuries. In response to these dig-ins, SMUD's public safety team has sent out 26 notification letters to contractors and customers responsible for the dig-in occurrence as a proactive effort to provide further awareness and education on best practices to avoid future occurrences. No responses or escalations have been provided.

Public Safety Events

SMUD's Safety team has attended several local events within the SMUD territory in support of delivering public safety messages with a variety of partnerships. The Safety team has coordinated and participated in the following events for the second half of 2025:

- Yolo County Fair
- Folsom Powerhouse Electricity Fair

New Public Safety Initiatives

The Public Safety team is partnering with other SMUD business units to develop a "Dig Safe" committee in support of preventing underground line strikes and near misses to SMUD infrastructure. Additionally, the public safety team has begun using public safety data to support the decision-making processes of "Vehicle vs. Assets" committee.

3. Additional Supporting Information

The current SD-6 Safety Direction became effective September 2023. Our goal is to achieve the desired performance objectives by year-end 2025. This report summarizes safety performance in the second half of 2025.

Safety Leadership

The Safety Team continues with its integration efforts to support Executive Leadership's 5-year plan that emphasizes zero incidents and injuries and a focus on a zero-accident safety culture. SMUD's Executive Leadership team continue to emphasize our Safety priority with all personnel, contractors and in the public. We continue to grow our Safety for Life culture by reducing the risk of serious injuries and fatalities, targeting messages to staff on topics beyond work-related risks, and looking for new ways to maintain engagement. These goals are outlined in SMUD's Safety Road Map.

Safety Management System (SMS)

During 2025, SMUD made significant progress in optimizing Benchmark Gensuite, our Safety Management System. Ongoing projects and process improvements continue to drive increased utilization and visibility across the organization. These efforts reflect our commitment to

strengthening safety performance, improving operational efficiency, and supporting employee well-being.

In 2025, Safety executed several high-impact initiatives that further strengthened the SMS. The TapRoot and Benchmark Gensuite integration was completed, improving data transparency and eliminating manual processes. The five-year Benchmark Gensuite contract renewal was also executed months ahead of schedule through close collaboration with IT and Procurement. Additionally, a Supervisor–Employee Interaction Dashboard was developed using ACE form data, supporting the Safety 2025 Enterprise Performance Goal (EPG) Metric and providing leaders with actionable insights.

Safety Standards Development

The Safety Team is continuously reviewing and updating SMUD's Health & Safety Standards to support the organization's World Class Safety initiatives. The Core Standards Team has adopted a streamlined review routing process utilizing SharePoint. This approach has reduced the amount of time required from review to final signature. Additionally, the Standards Team is piloting using AI for standards reference regulatory updates, and procedural alignment.

The Core Standards team continue to meet monthly to ensure progress is made and tracked. In 2025, a total of sixteen standards have been reviewed, signed off, and published to the Health and Safety Standard SharePoint site for all personnel to access.

The published standards included:

- one new standard - Radioactive Frequency Standard
- one standard that required major updates and collaboration with fleet management – Vehicle Safety Standard.
- fourteen standards requiring standard review, including Bloodborne Pathogens, Working Over or Near Water, Fall Protection, Lock-Out/Tag-Out, Contractor Safety, Public Safety, EMF, Silica, Training Required Equipment (TRE), Electrical Arc Flame Reduction, IIPP Appendix B- Workplace Prevention Plan, Heat Illness Prevention, Incident Reporting and Investigation, and Lead and Other Toxic Metal Coatings.

Supervisor-Employee Interactions

The Safety Team has continued to make outstanding progress in strengthening the Supervisor-Employee Interaction process throughout 2025. With an ambitious Enterprise Performance Goal (EPG) of 8,440 interactions, SMUD not only met this target but exceeded it by completing 10,609 interactions—26% above the goal. This achievement reflects our ongoing commitment to keeping safety top of mind and reinforcing that every interaction matters.

To support leaders and their teams, we provided clear guidance through director leadership meetings, staff meetings, demonstrations, and one-on-one training sessions. We also developed user-friendly PowerPoint materials outlining interaction goals and targets and created a PowerBI dashboard to track interactions by work group, ensuring transparency and accountability.

Our focus areas in 2025 were diverse and targeted to the unique needs of each work environment. For office-based employees, we prioritized reducing ergonomic risks and preventing slip, trip, and fall hazards. Hybrid and remote staff received personalized guidance to optimize workstation setups and minimize home-based hazards. In the field, leaders

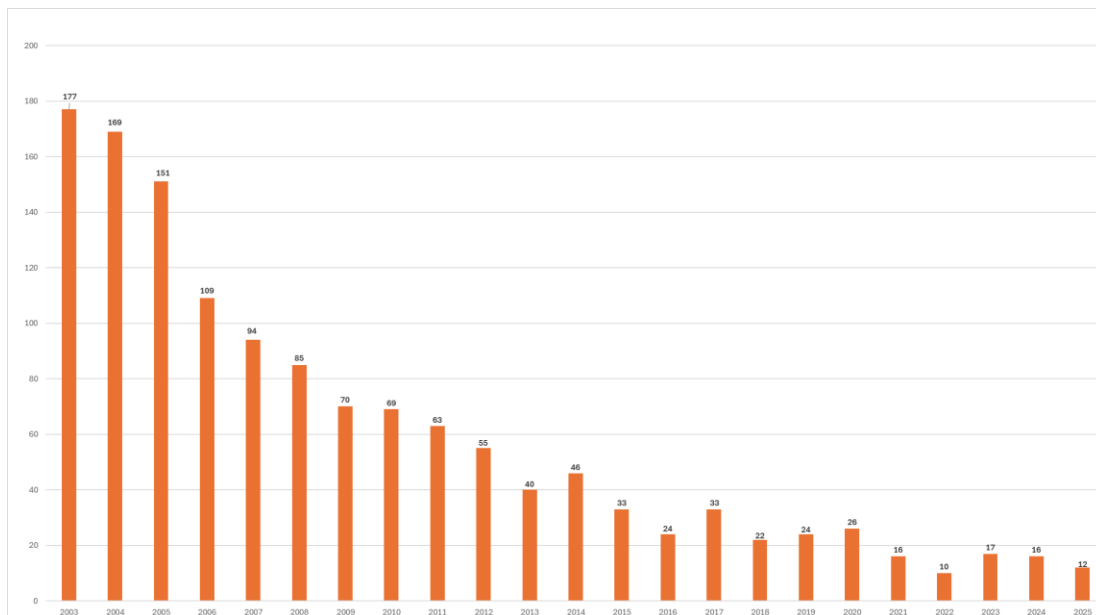
strengthened safety through eyes-on work interactions, emphasizing PPE compliance, safe equipment use, proper lifting techniques, situational awareness, and adherence to job briefings. These real-time observations allowed hazards to be identified early and reinforced safe behaviors where they matter most. Through these proactive measures and meaningful conversations, we continued to build a strong, unified safety culture across all work settings.

Near Miss and Positive Observation/Good Catch Reporting

Leadership remains committed to fostering a proactive safety culture that encourages the reporting of near misses and positive observations, commonly referred to as “good catches.” This focus allows the organization to identify learning opportunities before incidents occur, strengthening overall safety and operational effectiveness. During 2025, 69 near miss and positive observation reports were successfully captured in the Safety Management System.

4. Challenges

SMUD finished the year with 12 DART injuries, coming in under the SD-6 limit of 13 DARTS or less. This continues our decrease in DARTs as we strive to achieve Zero dart injuries. However, similar to the Zero Carbon Plan, getting SMUD to zero DARTs is going to be a challenge. Thankfully, high-risk DART cases remain very low and the amount of time employees are away from their regular work as a result of their incident remains low. The Safety department will continue to identify trends, collaborate with leadership, proactively address hazards, and promote safe work practices.



DART Count 2003-2025

5. Recommendation

SMUD is committed to becoming a recognized leader in safety. Both SMUD’s leadership team and employees recognize that to achieve success we must integrate safety into all that we do. It is recommended that the Board accept the Monitoring Report for SD-6.

6. Appendices - World Class Safety Program Improvements & Supporting Information

Safety for Life

Safety and Environmental Day was held in October of this year at Safety Center's Safetyville. The event was open to all SMUD employees and their families. There were plenty of vendors, including a few new ones such as Consumnes Fire, American Heart Association, Mike and Son's Automotive, Ryder Events and Bethal Dentistry. SMUD Trades groups participated sharing their crafts, like Line, Substation, and Vegetation and a few more. SCORCH, the Green Team, Community Education, Energy Specialists, and Safety hosted booths. There were plenty of games and prizes as well and Game Day food truck.

Sparky's Crew continues to get families involved in safety by sending 199 safety postcards and quarterly newsletters to SMUD children enrolled. Children enrolled also participate in the Sparky's Crew calendar submitting their safety drawings for a chance to be used in the SMUD's Safety for Life calendar.

Our Safety for Life communications continue. Safety for Life experiences from employees are being shared in our bi-weekly newsletter and resonate the most with employees resulting in the most readership.

Driver Safety

Safety hosted a driving rodeo for the Line Design team and their leadership in early 2025 and is planning additional rodeos, for ED&O groups, in the first half of 2026. These will be custom tailored to work group needs and include improvements designed to build safe backing skills. Additional rodeos will be scheduled upon request from the BU. The preventable vehicle accident (PVA) review team continues their review of SMUD's PVAs to discover trending data. This data is used to fine tune the rodeos, to have meaningful discussions with employees and leaders, and to share at safety meetings. The team also looks to ensure optimal corrective actions are identified to prevent recurrence. Additionally, SMUD continues emphasizing safe driving behaviors by sending vehicle reports to business unit leaders and key contacts. As before, the reports continue to capture speeding data as well as seat belt use, providing leaders with valuable data for reinforcing safe driving behaviors and addressing unsafe driving practices. Safety will continue to modify reports at the request of leadership and their business units.

In 2025, 415 employees received initial or refresher training for SMITH driving. This includes new hires and current employees. The Safety team is working to standardize the safe backing enhancement to this training program.

Last year's highly visible safe driving banners were re-deployed in the ECOC Yard until winter weather came along. They will go back up in late spring, but in a different layout to ensure their appearance stays fresh. Digital messaging with the same safe driving content continues to be shown on the monitors in the ECOC buildings. This messaging offers drivers reminders to help build safe driving habits before getting behind the wheel each day. Lastly, SMUD is working to assemble an organizational-wide subcommittee to evaluate and recommend corrective actions for PVAs, as part of the All-Joint Labor Management Safety Committee process.

Wildfire Smoke

2025 Remained a mild year related to wildfire smoke and wildfire smoke exposure for employees. Safety will continue to ensure employees are properly trained and have the right resources to work safely in the event of a wildfire smoke event.

Fire Retardant Clothing

All employees who work on or around energized equipment are allotted a yearly flame resistant (FR) clothing allowance to ensure they are adequately protected. SMUD works with an FR vendor to ensure employees have access to clothing, which meets the Arc Flash requirements of SMUD equipment and the latest FR material technologies to improve their level of comfort in various types of weather conditions (i.e., storms, cold, rain, or heat). New electrical trades employees will receive FR Clothing training by a Safety Representative and ensure they are added to the FR Clothing portal and are apprised of the proper care and maintenance of their clothing.

Field Ergonomics

In August, SMUD launched a new Field Industrial Ergonomic contract with Briotix Health, marking a major step forward in reducing soft tissue injuries and improving employee well-being. The onboarding process was a success, setting the foundation for strong collaboration and effective service delivery. Briotix has engaged crews and leadership through meet-and-greet safety meetings, one-on-one assessments and evaluations, and site visits for job task reviews, resulting in actionable recommendations for tools, equipment, and improved body mechanics. Additional initiatives include multiple vehicle ergonomic assessments to enhance comfort and reduce strain during driving, as well as ongoing morning stretch sessions with crews at the SMUD Power Academy (SPA) and Fresh Pond.

To maintain alignment and ensure program success, monthly check-ins with client management teams keep SMUD and Briotix coordinated, balancing schedules, deliverables, and priorities. These proactive measures complement our broader field ergonomic strategy, reinforcing SMUD's commitment to a proactive safety culture and aligning with SD-6 objectives to minimize workplace risks, reduce injuries, and foster a sustainable, healthy work environment for all employees.

Joint Labor Management Safety Committees

Hydro JLMSC – After completing follow-up with the Cal/OSHA VPP Audit team, Hydro received STAR recertification in September, good until September 2028. As this is the highest achievable recognition in safety directly from Cal/OSHA, a lot of work was put in to prepare for this audit, with crucial support needed from all levels. Work continues through the JLMSC to implement best practices, specifically in determining leading indicators such as near misses, safety culture & engagement and safety audits & inspections.

Line Assets JLMSC – A variety of safety improvements are in progress or already completed through the Line Assets JLMSC. Key improvements to highlight are: 1) Addition of stickers on vehicles that state "This vehicles speed is monitored by GPS". These inform the public why our employees are driving the posted speed limit. 2) New trailers were designed to contain electric jacks to limit the ergonomic strain on employees. 3) Better bucket harness were identified that will be phased in as old ones age out and need replacement. 4) The sequencing of the gate arms was fixed during after-hours entries to reduce the likelihood of contacting the gate. 5) Training was developed for Jump Packs for vegetation management staff.

Substation, Telecom, & Metering (STM) JLMSC – Current Near misses and Safety Alerts are shared at the beginning of the Quarterly JLMSC meetings to remain current on conditions, incidents, or accidents and possibly discuss solutions. Also, initiatives are established to improve safety.

The following initiatives were established in 2025 as key actions items by all the department member representatives. Some have been corrected or completed, some are currently pending.

- Ergonomic Tool Improvements in the Field (Mobile Workstations)
- Mobile workstations have been procured for the Elec Tech work group. - Completed
- Vehicle Yard Safety, Housekeeping & Maintenance – Corrected (Substation work group)
- Insulated Tools for Battery Installation - Completed
- Continuing Education Program for Journeyman & Foreman – HazMat work group has created new Jobsite Safety Annual Online Training - Pending
- Indoor Heat Illness Prevention (Battery Powered Units) - Evaluated (Elec Tech work group)
- Emergency Procedure Training - Pending
- SMUD-wide Arc Flash Study Review - Pending
- Trauma Training (Emergency and First Aid Support) - Pending
- Assessment of noise hazards in Telecom indoor work locations - Pending
- Updated Travel Safety Protocol and Training - Pending

Safely Conducted Observations Reduce Common Hazards (SCORCH)

Observation Engagement & Behavior Trends

A total of 1,040 field employees under the CFAS-Field (Customer, Finance, Administrative Services) and Electrical Trades process, were observed over the second half of 2025.

Observation feedback speaks to the continued consistency in which the proper type of **Hand Protection** is worn and tested, making it the top observed safe behavior for CFAS-field.

Observation feedback reinforces the value employees see in wearing the appropriate hand protection as a proactive step for minimizing exposure or injury severity. The awareness for minimizing exposures by planning for success made **Communication** the top observed safe behavior for the Electrical Trades. Comments highlighted the effectiveness in which employees maintained regular communication while performing work tasks. Two great behaviors that aid our field employees in going home healthy and safely.

The opportunity for improvement was related to the top at-risk behaviors of **Knee Protection/ Ergo Mat** and **Eyes, Face, Skin protection**. Employees displayed a low perception of risk when it came to performing tasks that require kneeling on the ground or a hard surface. With naturally very minimal padding or protection over the kneecap area. Employees were advised to carry both an ergo kneeling mat and a pair of foam, gel or hard-shell knee pads. It was also recommended that they carry a backup pair as well to minimize chronic wear to joint cartilage. Employee failure to maintain a safe distance when working in proximity to an energized facility or equipment, made **Electrical Hazards** the top at-risk behavior the Electrical Trades. Comments showed that employees became somewhat desensitized when working on/in energized enclosures and did not always take the necessary precautions. Risk Reduction Reminders encouraged employees to look in the direction prior to placing a hand or moving the body in that direction. The value was also stressed in doing a through site assessment, making sure insulated tools are in good condition, limit distractions and always respect safeguards and barriers.

Throughout the second half of 2025, a total of 2,483 employees were observed under the Office & Professional process. Employee awareness and ownership to maintain good **Head/Neck Posture** made it the top observed safe behavior. Employees see the value in keeping the head in neutral postures with ears over shoulders when seated. The simple step of committee members and observers partnering with their peers to measure and establish the correct monitor height and distance settings proved to be positively impactful. The routine cadence for sending out Risk Reduction Reminder's and expanded employee ownership for taking frequent "micro stretch breaks" also show a growing desire by employees to log out with less aches and pains at the end of the day.

The behavior of **Hips/Legs/Feet Posture** was logged as the top at-risk behavior. Employee feedback tells us that exposure is frequently tied to a low perception of risk. To combat the employee mindset of "it feels comfortable to me, it's a habit of mine or it's just something I do without thought". Raising awareness of the cumulative trauma and stress placed on the tendons or joints along with its quality-of-life injury potential was step one. Step two is dedicated to educating employees on embracing the ownership tips provided for maintaining the proper seat pan depth when sitting and creating a "frequent movement" schedule to avoid long periods of time seated with legs crossed at the ankles or with a single leg tucked under the body. These steps, combined with some new ones being rolled out, should position us to mitigate this as the top at-risk behavior moving forward.

SCORCH Behavior Influencing Highlights:

Internal/Safety for Life Engagement – SCORCH recently launched its first at-home "Driver Awareness" observation event. The event was used to highlight how the SCORCH behaviors and Smith System Driving keys used when driving a work vehicle could play a positive role in aiding employees safely reaching their destinations during the busy holiday season. Walk About and Leaving an Out were seen as the most impactful behaviors based on employee feedback. Employees saw value in walking around their personal vehicle prior to driving. It allowed them to identify potential hazards causing objects and/or damage to the vehicle while out of sight. Maintaining a car length distance (12-15ft) space cushion when stopped behind another vehicle was also seen as a high valued behavior takeaway. SCORCH continues to create new formats for engaging in conversations about safety in the at-home and at-play environments. It was a positive and fun way to reenforce behaviors some use daily at work, while introducing others to some risk reduction behaviors they could implement.

Embracing the combination of Safety for Life and behavior-based safety as a lifestyle choice that intentionally engages family and friends is the primary goal of our SCORCH photo contest. This continues to be a highly effective way for SMUD employees to showcase the variety of activities or hobbies they are engaged in. It also creates a format for having conversations about safety in the at-home and at-play areas of their lives. Activity trends observed behaviors and comment feedback are used to create seasonal proactive opportunities of engagement and "Best Practice" shares that further expand our influencing reach ability. SCORCH is proud of its ability to use these types of events to display its direct alignment with SMUD's organizational commitment to Safety for Life and World-Class Safety.

Heat Illness

SMUD continues to identify heat as one of the main hazards our employees face during the hot summer months. 2025 was a mild summer related to heat. SMUD did not see any serious heat related injuries this year. Solutions are continually being evaluated, for example different electrolyte solutions are being evaluated by field staff through SMUD's tool committee.

Medical Monitoring

A long-term medical monitoring contract was issued by SMUD to Work Health Solutions. Safety has been meeting with the vendor to ensure adequate process in place to ensure employees receive appropriate monitoring. There were 3 onsite hearing events, 2 at ECOC and 1 at Fresh Pond. Approximately 175 employees completed their annual hearing exams during the three onsite events. The Safety team worked with foreman, supervisors, and managers to ensure that all required employees were in the appropriate Medical Monitoring Program(s). The Safety team continues to organize, coordinate and schedule employees for their medical exams. There were 2 onsite “pop-up clinics” for our medical surveillance vendor at the ECOC. Approximately 32 employees had their annual medical exams completed during those two events. Safety will continue to ensure all employees are current on their medical monitoring.

Awards

The American Public Power Association (APPA) recognized the top utilities from across the country for their safe operating practices in 2025. We’re excited to announce that SMUD earned the APPA’s 2025 Safety Award of Excellence, achieving Diamond Status. The Diamond designation is the highest status awarded by APPA to utilities who demonstrate a strong commitment to its employees, customers and the community. The Diamond Status will be awarded to SMUD during Q1 of 2026.

RESOLUTION NO. 26-04-04

WHEREAS, between 2019 and 2021, SMUD conducted an extensive public stakeholder engagement process which led to the development of the **Solar and Storage Rate (SSR)**; and

WHEREAS, by Resolution No. 21-09-07, adopted on September 16, 2021, this Board approved the **SSR**, designed to encourage a transition from solar-only to solar-plus-storage and more accurately compensate customers for the value of solar sent to the grid, with the **SSR** rate schedule setting an export compensation rate at 7.4¢ per kWh effective March 1, 2022; and

WHEREAS, the **SSR** rate schedule specifies that, among other things, the rate is i) subject to review and update every four years beginning in 2026, ii) is based on a formula rate mechanism that uses a combination of publicly available indices and SMUD's actual cost data, and iii) is subject to Board approval at a regular Board meeting; and

WHEREAS, based on the rate schedule requirements, staff calculated the new export compensation rate to be 9.6¢ per kWh; and

WHEREAS, this Board finds that the proposed action is reasonable and in the best interests of the public and SMUD's customers; **NOW, THEREFORE**,

**BE IT RESOLVED BY THE BOARD OF DIRECTORS
OF THE SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

Section 1. Effective June 1, 2026, the Solar and Storage Rate (SSR) export compensation rate is 9.6¢ per kWh.

Section 2. Section VI. Export Compensation Rate of Rate Schedule SSR shall be updated to reflect the new export compensation rate.

Approved: April 16, 2026

INTRODUCED: DIRECTOR SANBORN				
SECONDED: DIRECTOR FISHMAN				
DIRECTOR	AYE	NO	ABSTAIN	ABSENT
TAMAYO	X			
ROSE	X			
BUI-THOMPSON	X			
FISHMAN	X			
HERBER	X			
KERTH	X			
SANBORN	X			

RESOLUTION NO. 26-04-05

WHEREAS, the Sacramento Area Water Forum (Water Forum) is a process whereby representatives from local government, environmental groups, the business community, water agencies, and the community at large cooperate to identify and resolve water supply and quality issues to ensure the viability of the Sacramento region in the future; and

WHEREAS, since 1994, SMUD has participated in the Water Forum; and

WHEREAS, by Resolution No. 00-04-16, adopted on April 20, 2000, this Board approved the original **Water Forum Agreement** through 2030; and

WHEREAS, conditions affecting water management have changed substantially since 2000 with climate change being the most significant new challenge; and

WHEREAS, **Water Forum 2050** brings together Water Forum stakeholders organized within four caucuses (environmental, water, business, and public) to update and modernize the agreement and reaffirm coequal objectives to i) provide a reliable and safe water supply for the region's economic health and planned development and ii) preserve the fishery, wildlife, recreational and aesthetic values of the Lower American River; and

WHEREAS, the agreement is voluntary and implemented through mutual commitments rather than regulation, focusing on planning, collaboration, transparency, reporting, adaptive management, and advocacy; **NOW, THEREFORE**,

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SACRAMENTO MUNICIPAL UTILITY DISTRICT:

Section 1. That the President of the Board of Directors, or his designee, is authorized, on behalf of SMUD, to execute the **Water Forum 2050**

Agreement, including the **Sacramento Municipal Utility District Purveyor**

Specific Agreement substantially in the form attached hereto as **Attachment B**.

Approved: April 16, 2026

INTRODUCED: DIRECTOR SANBORN				
SECONDED: DIRECTOR FISHMAN				
DIRECTOR	AYE	NO	ABSTAIN	ABSENT
TAMAYO	X			
ROSE	X			
BUI-THOMPSON	X			
FISHMAN	X			
HERBER	X			
KERTH	X			
SANBORN	X			



WATER FORUM AGREEMENT 2050

Final Agreement

*The Next Generation of Water Management in
the Sacramento Region*

Signed April 2026

Water Forum Agreement 2050

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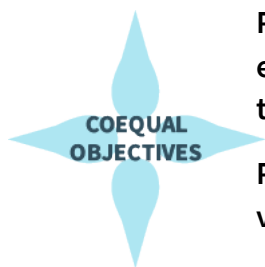


Introduction

The Water Forum: Protecting the River and Regional Water Supply

The lower American River (LAR) is one of the Sacramento region's greatest treasures. Generations of Sacramento-area residents have grown up on the river and along the parkway, enjoying its rich ecosystem of plants and wildlife, as well as numerous recreational activities. Throughout history, the river has sustained the lives and livelihoods of local residents by providing them with drinking water. But the river doesn't just *provide* for the region; it also needs active stewardship.

In 2000, 40 different agencies, organizations, citizen groups, and businesses came together to sign the landmark Water Forum Agreement, a visionary long-term plan created to balance two coequal objectives:



Provide a reliable and safe water supply for the region's economic health and planned development through to the year 2030; and

Preserve the fishery, wildlife, recreational, and aesthetic values of the lower American River.

The Water Forum Agreement (WFA) was a bold experiment. People with vastly different views on the best uses of water agreed to work together toward mutual goals. Water agencies, environmental

The lower American River is an essential part of life in the Sacramento region. It provides drinking water to nearly 2 million people and is home to 43 species of fish, including the endangered Central Valley steelhead and fall-run Chinook salmon. The river also offers invaluable recreational and aesthetic values for the region and attracts nearly eight million visitors per year.

The river corridor also helps protect Sacramento-area communities from floods and plays an important role in supplying water to the Sacramento-San Joaquin Delta, which ultimately serves drinking water for many Californians and provides water for the state's agriculture.

organizations, business groups, and other interested parties negotiated a 30-year plan for how the American River basin's water would be managed and protected. The aim was to reduce the persistent conflicts over water resources that had historically plagued the region.

Before the Water Forum, the Sacramento area had seen its share of lawsuits, demonstrations, and political battles over planned water projects. Water providers and business interests were concerned that opposition to water development would hinder their ability to serve customers with a reliable water supply. At the same time, environmental advocates were alarmed by the ongoing decline of water-based ecosystems.



The Water Forum brings together a diverse group of businesses, citizen groups, environmentalists, water managers, and local governments in Sacramento, Placer, and El Dorado counties.

The agreement, reached after seven years of intense negotiations, included financial and operational commitments from water providers, as well as a promise from environmental organizations to support water providers based on the terms of the agreement. The first WFA included seven key **elements** that represented the strategies members¹ used to meet the coequal objectives of water supply reliability and environmental stewardship. Over the past 25 years, these strategies have shaped water management in the Sacramento region, addressing both immediate needs and long-term sustainability.

The original Water Forum **elements** were:

1. Detailed plans for **increased surface water supplies** from rivers during average to wet years to support Sacramento's anticipated population and economic growth through 2030.
2. Water providers' commitment to **actions during dry years** to reduce surface water diversions to protect fish, wildlife, aesthetic, and recreational value of the river.
3. Plans to establish a **new flow standard** for the LAR that would improve water releases to better support fish.
4. A **Habitat Management Element (HME)** dedicating purveyor and federal resources toward preserving the fishery, wildlife, recreational, and aesthetic values of the LAR.
5. Comprehensive **water conservation** plans to meet regional water needs while reducing reliance on both groundwater and surface water.
6. Establishment of local agencies for **groundwater management**, to monitor groundwater use and implement a conjunctive use program.
7. Ongoing implementation and adaptation of the WFA through 2030 via the **Water Forum Successor Effort (WFSE)**.

¹ The term member in this document is intended to refer to an organization that is a signatory to the Water Forum. Member and signatory can be used interchangeably.

These original Water Forum elements and the members' progress in each are detailed in **Appendix 1: Advancing the Seven Elements of the First Water Forum Agreement.**

Now, after more than two decades, the Water Forum is widely regarded as a success and is often recognized as a model for similar initiatives. It has not only led to tangible accomplishments in water management and river health enhancement but has also built strong, collaborative relationships that have helped the region navigate severe droughts. These collaborations have enabled the region to invest in river restoration projects and major infrastructure projects without opposition or lawsuits, a testament to the trust and transparency that have been cultivated over the years.

The success of this partnership has earned the Sacramento area a statewide reputation as an innovative steward of regional water resources, providing a solid foundation for negotiating a new agreement necessary to tackle the challenges ahead. The challenges ahead are significant for maintaining a reliable water supply, and especially for a healthy ecosystem that relies on cold water.

HONORS AND AWARDS

1999 – Achievement Award from California Water Policy Conference

2000 – Association of California Water Agencies Clair A. Hill Water Agency Award

2000 – U.S. Environmental Protection Agency Region 9 Outstanding Environmental Achievement Award

2001 – League of California Cities Helen Putnam Award for Excellence

2001 – Governor's Environmental and Economic Leadership Award for outstanding contributions in Environmental-Economic Partnerships

2004 – Harvard University Kennedy School of Government "Top 50" Programs in the Innovations in American Government competition

2015 – American Water Resources Association, Csallany Institutional Award for Exemplary contributions to Water Resources Management

2015 – Governor's Environmental and Economic Leadership Award

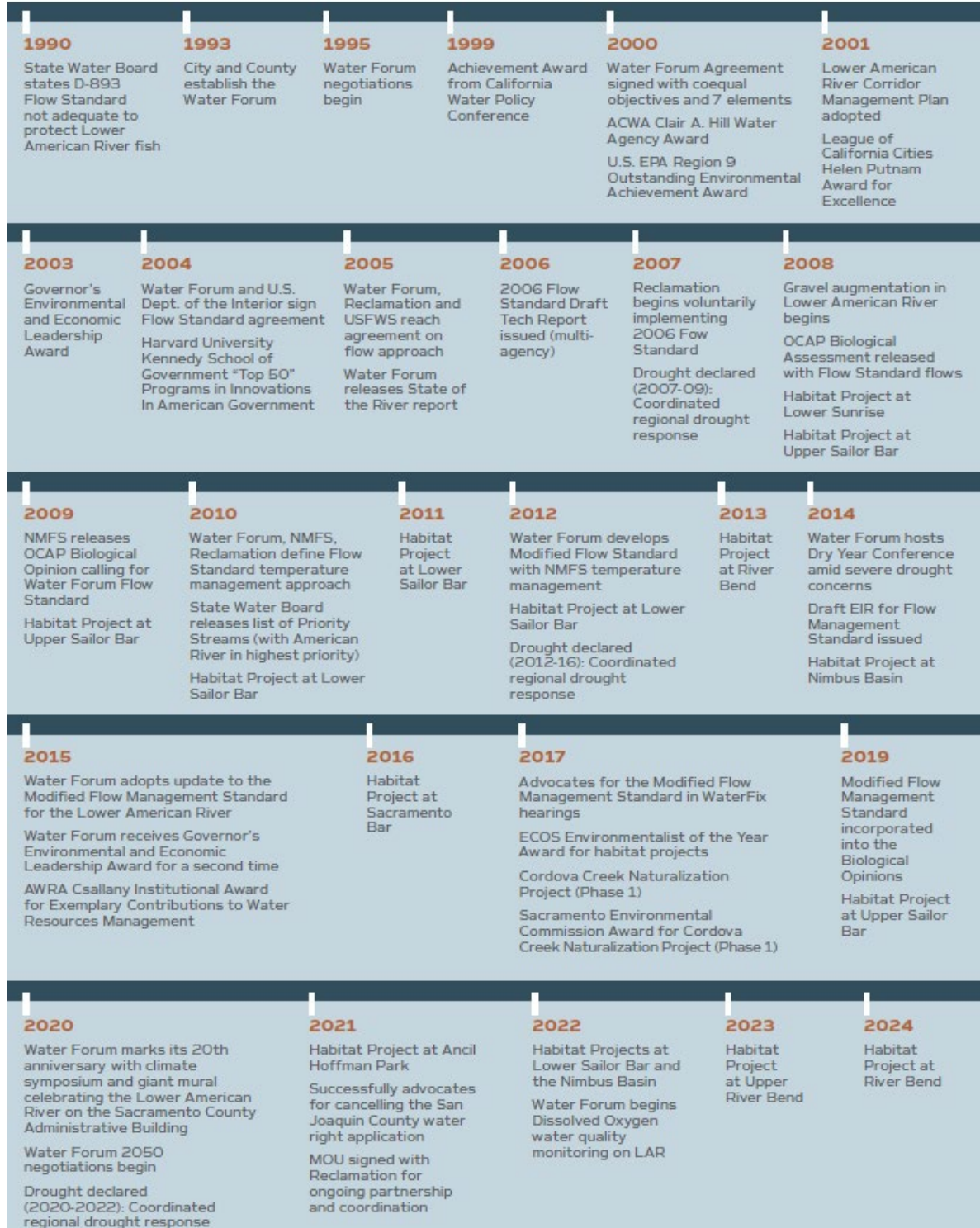
2017 – Environmental Council of Sacramento Environmentalist of the Year Award

The Water Forum was honored in both 2001 and 2015 with the **Governor's Environmental and Economic Leadership Award** — the state's top award for environmental stewardship — in recognition of its work to improve the lower American River riparian habitat and parkway, and to protect the Sacramento region's water supply.

KEY MILESTONES IN THE WATER FORUM'S HISTORY

Figure 1. Water Forum Timeline, 1990–2024

WATER FORUM Timeline 1990 - 2024



COMMITMENT TO THE WATER FORUM WAY

The **Water Forum Way** is an explicit set of mutual obligations that has guided Water Forum members' engagement with one another since its inception. Members demonstrate adherence to the Water Forum Way through the following practices:

- Mutual gains approach and collaborative effort to seek consensus and build trust
- Participating with an open-minded, respectful, and interest-based approach to all discussions
- Working through challenges, search for and find balance across the Water Forum's coequal objectives
- Understanding Water Forum processes and interested parties
- Emphasize transparency through a group disclosure process
- Surfacing and seeking to understand and accommodate differences and interests among Water Forum members
- Working with diverse groups to enable voices to be heard and to have an opportunity to have a seat at the table

All members of the Water Forum, including staff and consultants, commit to adhering to the Water Forum Way and hold one another accountable for reinforcing this practice.

Water Forum 2050: The Next Generation

As the Water Forum looks to the next twenty-five years, it faces a different set of challenges and a new regulatory landscape, including the impacts of climate change, increasingly challenged environmental conditions, increased regulations, and economic pressures. Given the magnitude and timing of the expected challenges, the negotiations for the new Water Forum Agreement were initiated in 2020 to prepare the region to better respond to changes as they materialize.

- **Shifting hydrology:** Climate change presents the single most significant threat to achieving the Water Forum's coequal objectives of water supply reliability and environmental stewardship of the LAR. While the first WFA focused primarily on mitigating the effects of dry years, the region is now experiencing a complex mix of hotter and drier periods, coupled with more intense bursts of rainfall and a diminishing snowpack. This pattern will challenge water storage infrastructure, particularly Folsom Reservoir, which must balance flood control needs with storing water for drought periods—challenges that were not anticipated in the first WFA.
- **Environmental Challenges and Fisheries:** Salmon and steelhead populations in the LAR face significant threats due to suboptimal flow and temperature conditions. Additionally, climate change impacts and other factors, including ocean and Delta conditions, have contributed to reduced fish populations. Continuing habitat enhancements and fostering continued collaboration with agencies, including the U.S. Bureau of Reclamation (Reclamation), for suitable flows and temperatures will be crucial for mitigating these challenges.
- **Operational Challenges:** Folsom Reservoir is owned and operated by the Bureau of Reclamation (Reclamation) as part of the broader Central Valley Project (CVP), a statewide water delivery system. As such, Reclamation must consider and balance the needs for water beyond the American River watershed within its operations. There are times when out-of-basin demands of the CVP may seem at odds with the needs of the LAR and the American River region. As the impacts of climate change further constrain water supplies, those times of competing demands are likely to increase and intensify. Ongoing coordination and engagement with Reclamation will be crucial for the continued success of the coequal objectives and ensuring that American River interests are fully considered within the broader context of CVP operations.
- **Water Supply Reliability:** The threat of a reduced snowpack and critically low storage conditions at Folsom Reservoir (i.e., "dead pool"), when water levels are too low to meet supply needs, represents a severe risk to both water supply and river health. Multi-year droughts have previously brought the reservoir to critical levels, impacting water reliability for over a million residents.

The Water Forum's Flow Management Standard, which includes minimum flows, temperature management protocols, and storage target provisions, offers one strategy for mitigating this risk. However, further actions will be needed to adapt to climate-driven extremes in hydrology, including support for more diversified supply portfolios, such as enhanced conjunctive use, alternative or expanded diversion points, and the capture and underground storage of unstorable surface water, to enable regional water providers to reduce their reliance on American River supplies during drought conditions.

- **Groundwater Management:** The Sustainable Groundwater Management Act (SGMA) of 2014 expanded groundwater regulatory requirements, requiring local agencies to form Groundwater Sustainability Agencies (GSAs) and create long-term Groundwater Sustainability Plans (GSPs). SGMA and the GSAs now guide groundwater management across California, superseding many features of the first WFA's groundwater element.
- **Rising Regulatory Pressures:** Since 2000, state regulations related to water have undergone significant expansion, introducing mandates that have raised compliance costs and created new challenges for water purveyors. Increased regulation now affects every aspect of water management, from groundwater sustainability and surface water flows to conservation requirements and long-term planning. For example, the State's role in water conservation has expanded, gradually surpassing the framework set by the first WFA. The most recent example is the Making Conservation a California Way of Life regulation, adopted by the State Water Board in August 2024, which solidified conservation as a permanent state mandate.
- **Water Affordability:** The costs of providing water are increasing, driven by rising expenses for regulatory compliance, infrastructure maintenance, and essential supplies, including energy and chemicals. At the same time, revenues are impacted as conservation measures reduce demand and customers resist rate increases. This financial strain on local water providers highlights the need for cost-effective, transparent management strategies that align with public expectations.

CHALLENGE OF CLIMATE CHANGE

Water Forum members have identified climate change as *the most significant challenge* to the Water Forum's coequal objectives of balancing reliable water supplies while protecting the health of the LAR environment. To assess the impacts of climate change and population growth on water supply reliability and river health through 2050, the Water Forum conducted a technical analysis that compared projected conditions to historical data.

This analysis, Water Forum 2.0 – Ad Hoc Technical Team (AHTT) Study Plan Analysis Report, was led by a team of experts from the water, business, public agency, and environmental sectors. It built upon Reclamation's 2022 American River Basin Study, applying its data to a focused examination of the LAR.

Key findings included:

- **Hydrology:** Runoff is projected to peak earlier due to declining snowpack conditions, while the frequency and severity of multi-year droughts are expected to increase. Multi-year droughts similar to the 2014-16 event are likely to shift from occurring once every 100 years to once every 10 years under moderate climate change assumptions. As a result, the region is expected to find itself in drought-response mode more frequently, with extreme drought events becoming increasingly common. Current regional operations may also prove less effective due to shifts in the timing and volume of runoff.
- **Water Supply Reliability:** Future conditions indicate a decline in surface water reliability, which will result in an increased reliance on groundwater. This reduced availability of surface water will necessitate greater flexibility in water management strategies. Additionally, the frequency of critically low storage levels at Folsom Reservoir is expected to rise, presenting challenges for existing operations. As a result, proactive groundwater management in wet years will become essential for the region's water supply reliability.
- **River Health and Fisheries:** Temperatures will continue to be a limiting factor for resident salmonids on the LAR. Climate change is likely to significantly increase the number of days when river temperatures reach levels that are unsuitable for the survival of salmonids. This rise in unsuitable conditions will pose challenges for fish survival², highlighting the need for actions that effectively balance the beneficial uses of available surface water to support both fisheries and water supply needs.

Overall, the study provided a technical foundation for collaborative solutions and informed the Water Forum by identifying gaps in water supply and river corridor health under future conditions. It also set the foundation for a regional dialogue on potential adaptation tools, projects, and measures to address these critical issues.

A POSITIVE VISION FOR THE FUTURE

The challenges facing water management today present an opportunity to **strengthen and modernize** the WFA for its continued relevance in the evolving landscape.

As with the first WFA, the **Water Forum 2050 Agreement (WF2050)** is a commitment to working together towards coequal objectives, this time to overcome a different set of challenges. The intent is that cooperation leads to increased support and drives investments in resiliency programs, enhancing the region's reputation and improving competitiveness for water management and ecosystem enhancement grants. Growing support from interested parties will

² Studies have shown that summer river temperatures above species-specific tolerances can cause direct adult mortality and reduce egg and juvenile survival. In addition, barrier-limited or low-elevation populations can't access cold-water refugia, increasing their climate vulnerability.

stretch local investments further, leading to more efficient and effective water management programs.

While the challenges are significant, interested parties at the Water Forum share a positive vision for the future. This vision is built on the principles of mutual benefit, with a renewed WFA serving as the foundation. In this future, regional ecosystems and the economy remain resilient and sustainable, and citizens enjoy reliable, sufficient, and safe water supplies. Communities can weather multi-year droughts without compromising the health of their landscapes or water-based ecosystems.

As conditions continue to evolve, WF2050 provides a framework to address current and emerging water management challenges while safeguarding the environmental health of the region for future generations.

Structure of the Water Forum 2050 Agreement

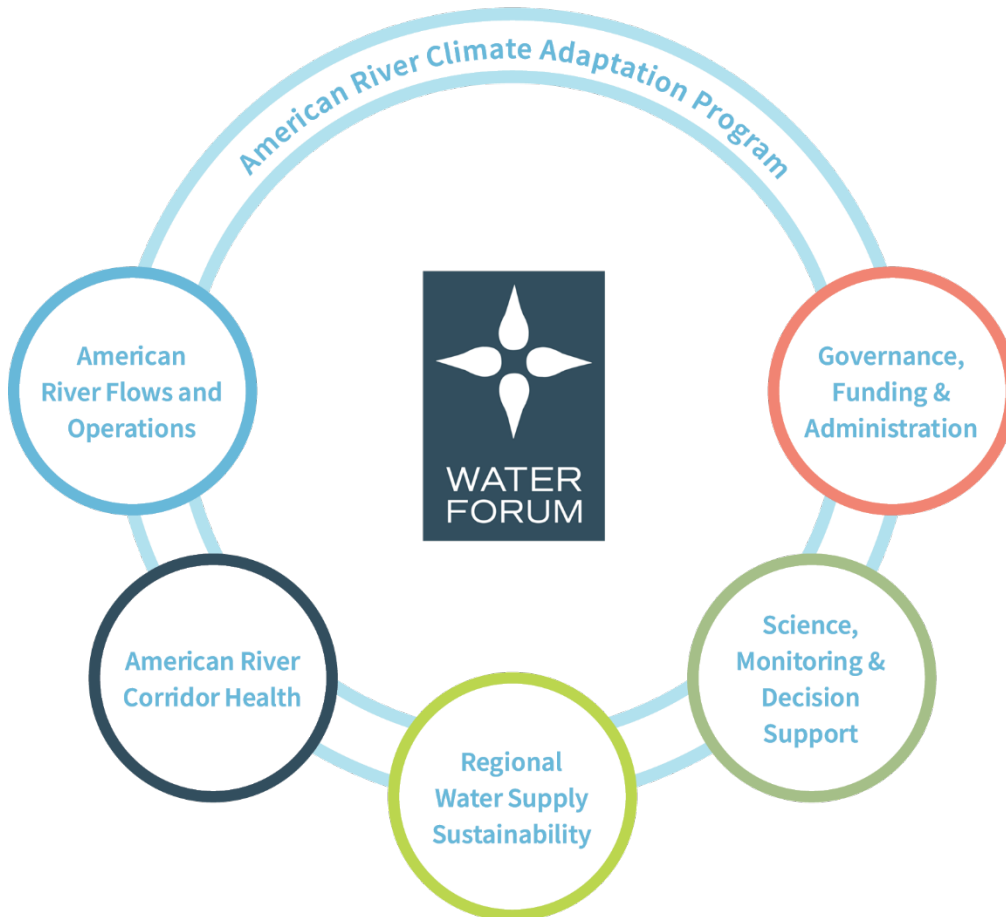
The WF2050 restructures the seven elements from the first WFA into five **Program Areas**:

1. American River Flows and Operations
2. American River Corridor Health
3. Regional Water Supply Sustainability
4. Science, Monitoring, and Decision Support
5. Governance, Funding, and Administration

Each Program Area is designed to support the coequal objectives by outlining specific principles, actions, and activities directed to the relevant area of focus. Recognizing that climate change presents the most significant threat to achieving the coequal objectives, the **American River Climate Adaptation Program (ARCAP)** is a cross-cutting program designed to accelerate progress in all five Program Areas by developing and targeting additional volumes of water to directly support the coequal objectives. ARCAP aims to better manage water in the face of climate change by voluntarily linking agencies, infrastructure, and policies—creating a truly regional water system where water is managed by agencies to be available when and where it's needed, and cold water is preserved in the American River for fish and future supply is protected.

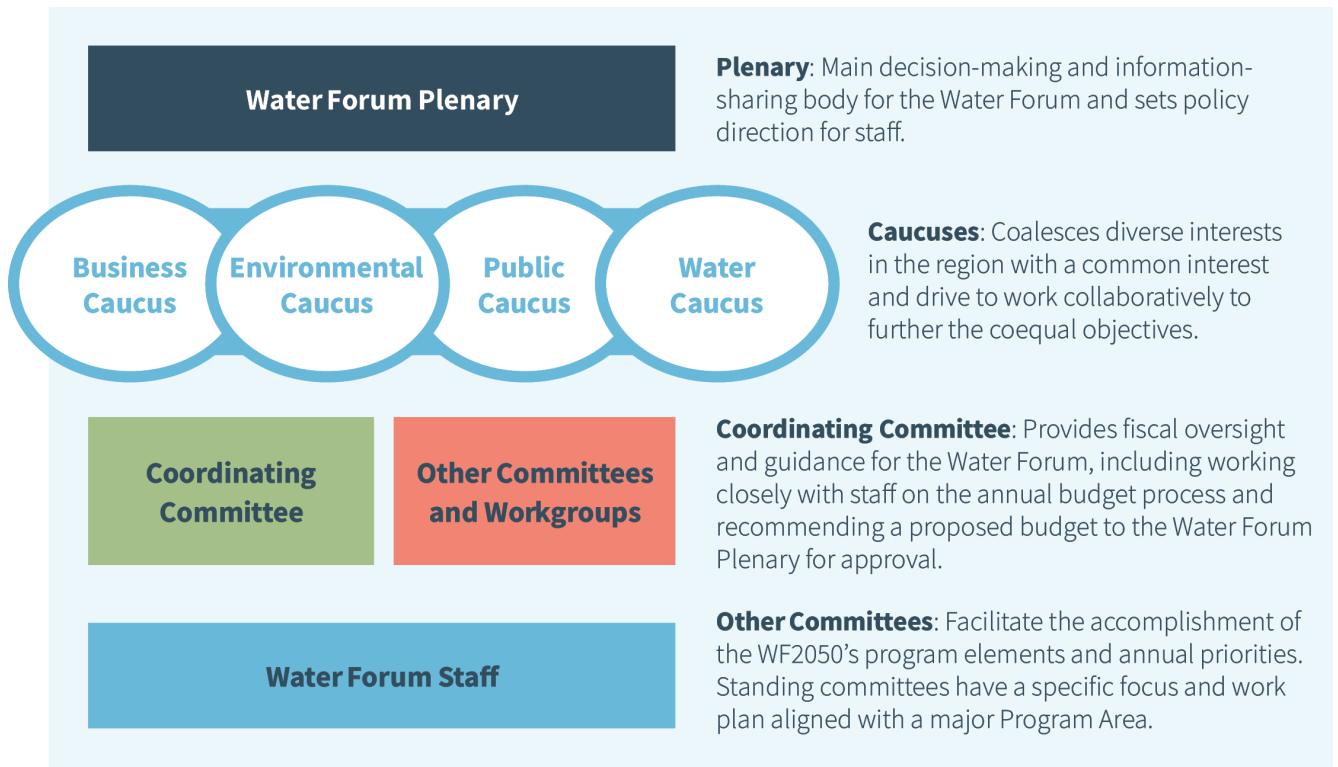
The WF2050 agreement is a voluntary agreement between signatories that functions through mutual commitments made to support the coequal objectives, implement the guiding principles, and uphold specific commitments relevant thereto.

Figure 2. Structure of WF2050



The WF2050 Program Areas (Figure 2) incorporate many of the elements from the first WFA, adapted to meet the region's evolving needs over the next 25 years. For example, the **American River Corridor Health** Program Area includes the Habitat Management element, and **American River Flows and Operations** integrates the Water Forum's Flow Management Standard. Additionally, **Governance, Funding, and Administration** introduces a new pathway for the Water Forum while maintaining the major components of the Water Forum governance structure (Figure 3).

Figure 3. Water Forum Governance Structure



The WF2050 includes:

Coequal Objectives: Reaffirmation of the long-standing mission and vision of the Water Forum, emphasizing a dual commitment to water supply reliability and environmental stewardship.

Guiding Principles: Foundational guidelines to drive the actions of the Water Forum and its members, helping to ensure that Water Forum efforts remain aligned with the core values and objectives.

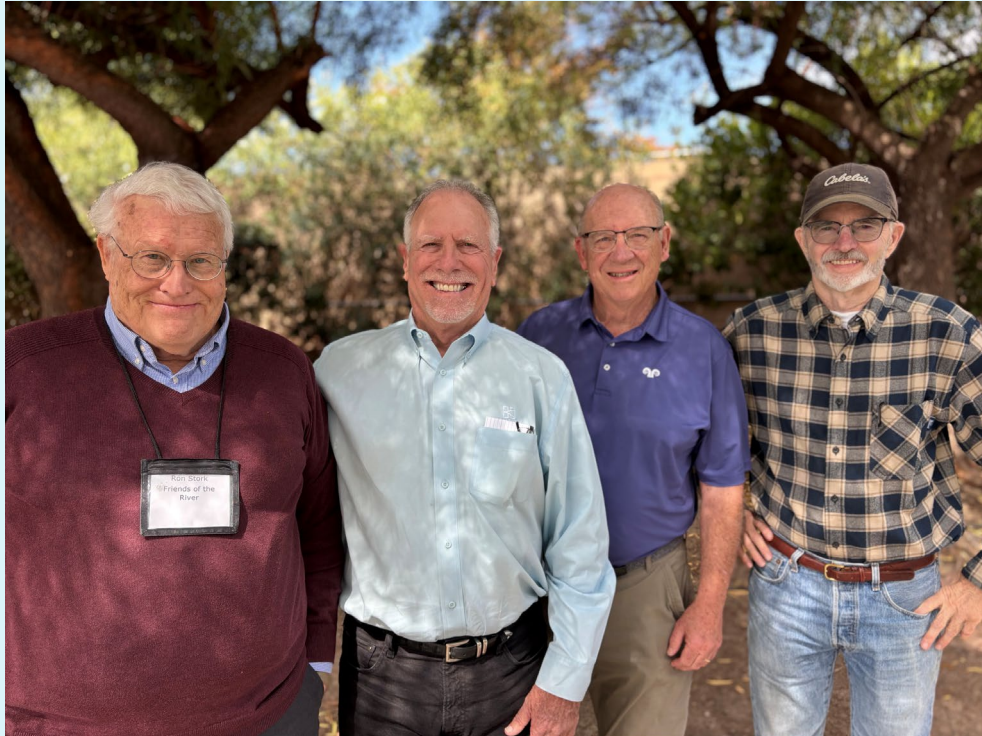
Program Elements: Core elements of the Water Forum's work, defining roles and responsibilities in the areas of American River Corridor Health; American River Flows and Operations; Regional Water Supply Sustainability; Science, Monitoring, and Decision Support; and Governance, Funding, and Administration – supported and accelerated by the American River Climate Adaptation Program.

Metrics: Data and information for monitoring and assessment to provide a framework for evaluation, helping to ensure that initiatives are effective and impactful.

Supported Projects: A list of regional initiatives and projects broadly supported by the Water Forum, highlighting collective efforts to enhance water supply and environmental health.

Acknowledgments

The success of WF2050 builds on the foundation established by those who brought the first WFA to life. Many individuals and organizations have contributed their time, expertise, and resources throughout the negotiation and development process. Their commitment to addressing the region's water supply and environmental challenges has been essential in shaping a comprehensive framework for the next 25 years.



The foundation of the WF2050 reflects the vision and commitment of those who shaped the Water Forum. Special recognition goes to original Water Forum members who have continued to participate: Ron Stork of Friends of the River, Clyde Macdonald of Save the American River Association, Jim Ray of the North State Building Industry Association/MacKay & Soms, and Brian Holloway of Sacramento Association of Realtors, whose leadership was essential to the success of both negotiations.

WF2050 PARTICIPATING ORGANIZATIONS

Thank you to the organizations and their representatives who devoted countless hours to participating in “Water Forum 2.0” (WF2050) negotiations. The Water Forum would not be possible without the dedication of its members.

Business Caucus

AKT Development*
Associated General Contractors*
North State Building Industry Association*
Sacramento Association of Realtors*
Sacramento Metropolitan Chamber of Commerce*
Sacramento Regional Builders Exchange
Green Acres Nursery & Supply

Environmental Caucus

Environmental Council of Sacramento*
Friends of the River*
Save the American River Association*
Sierra Club Mother Lode Chapter*

Public Caucus

American River Flood Control District
American River Parkway Foundation
City of Rancho Cordova
City of Sacramento Planning Department*
League of Women Voters, Sacramento County *
Placer County
Sacramento Area Council of Governments
Sacramento Area Flood Control Agency
Sacramento County*
Sacramento Regional Parks
Sacramento Valley Conservancy
Sacramento Municipal Utility District *

Water Caucus

California American Water*
Carmichael Water District*
Citrus Heights Water District*
City of Folsom*
City of Roseville*
City of Sacramento*
East Bay Municipal Utility District
El Dorado Irrigation District*
El Dorado Water Agency*
Fair Oaks Water District*
Golden State Water Company/Arden-Cordova Water District*
Orange Vale Water Company*
Placer County Water Agency*
Regional Water Authority*
Sacramento Suburban Water District*
Sacramento County Water Agency*
San Juan Water District*

* Denotes an organization that was a Signatory to the 2000 agreement.

Memorandum of Understanding for Water Forum 2050

The stakeholder representatives have concluded that the best mechanism to implement Water Forum 2050 is a Memorandum of Understanding (MOU) among all signatories to the WF2050 Agreement. By memorializing the substance of the WF2050 Agreement, this MOU creates the overall commitment to Water Forum 2050.

All signatories agree that by signing the MOU, they agree to carry out all the actions specified for them in the WF2050 Agreement.

Preamble

A diverse group of business leaders, environmentalists, citizen groups, water managers, and local government representatives has carefully reviewed the region's water future and the anticipated impacts of climate change. They found that unless we act now, our region risks a future marked by water shortages, environmental degradation, contamination, threats to groundwater reliability, and limitations to economic prosperity.

Joining together as the Water Forum, these community leaders from El Dorado, Sacramento, and Placer counties have spent thousands of hours analyzing the environmental and water supply needs of the region, focusing on the Lower American River, agreeing on principles to guide development of regional solutions, and negotiating the Water Forum 2050 Agreement.

This diverse group agrees that the optimal approach is a comprehensive package of interconnected actions that will achieve two coequal objectives:

Provide a reliable and safe water supply for the region's economic health and planned development through to the year 2050;

and

Preserve the fishery, wildlife, recreational, and aesthetic values of the lower American River.

Recitals

1. *Whereas*, a reliable water supply is needed by current and future residents, businesses, and agriculture; and
2. *Whereas*, the lower American River is recognized as an important natural resource which should be protected and preserved for future generations by all Water Forum interested parties; and

3. *Whereas*, the Sacramento region's groundwater resources are being successfully managed through Groundwater Sustainability Plans that have been approved by the State Department of Water Resources, and the Water Forum serves as a place to exchange information, concerns, and ideas regarding the management of this resource; and
4. *Whereas*, water purveyors and others have for years sought to develop additional safe, reliable water supplies; and
5. *Whereas*, the environmental community and others in the region have for years sought to restore the fishery, wildlife, recreational, and aesthetic values of the lower American River, protect and preserve the American River Watershed, and the region's groundwater supplies, including the environmental resources they support; and
6. *Whereas*, all signatories continue to recognize the potential benefits of mutually supporting each other's goals and working together, as well as the collective risk of pursuing independent objectives in isolation; and
7. *Whereas*, the framework of an interest-based negotiation process cannot provide exactly equivalent benefits for all, but in most cases does make it possible for stakeholders to obtain what they need in a *Water Forum 2050 Agreement*.

Now, Therefore Be It Resolved That:

1. All signatories to this Memorandum of Understanding (MOU) agree that participation in *Water Forum 2050* is in the best interest of water consumers and the region as a whole.

All signatories will endorse and, where indicated, participate in implementing the attached *Water Forum 2050 Agreement*, in accordance with the five Program Areas, and subject to relevant caveats and assurances:

- American River Flows and Operations
 - American River Corridor Health
 - Regional Water Supply Sustainability
 - Governance, Funding, and Administration
 - Science, Monitoring, and Decision Support
2. Individual Purveyor Specific Agreements (PSAs) were negotiated as part of the Water Forum 2050 Agreement and are incorporated therein.
 3. All signatories will have equal standing in the Water Forum, regardless of whether they belong to the Public, Water, Business, or Environmental caucus.

Term of the Memorandum of Understanding

This MOU shall remain in force and effect until December 31, 2050.

Legal Authority

Nothing in this MOU or the attached *Water Forum 2050 Agreement* is intended to give any signatory, agency, entity, or organization expansion of any existing authority.

Non-Contractual Agreement

This MOU and the attached *Water Forum 2050 Agreement* are intended to embody general principles agreed upon between and among the signatories. Still, they are not intended to, and do not, create contractual relationships, rights, obligations, duties, or remedies enforceable in a court of law by, between, or among the signatories or any third parties.

In witness thereof, the undersigned parties have executed this MOU this XX day of April, 2026.

Business Caucus

AKT Development

Associated General Contractors

North State Building Industry Association

Sacramento Association of Realtors

Sacramento Metropolitan Chamber of Commerce

Sacramento Regional Builders Exchange

Green Acres Nursery & Supply

Environmental Caucus

Environmental Council of Sacramento

Friends of the River

Save the American River Association

Sierra Club Mother Lode Chapter

Public Caucus

American River Parkway Foundation

City of Rancho Cordova

City of Sacramento

League of Women Voters, Sacramento County

Sacramento Area Council of Governments

Sacramento Area Flood Control Agency

Sacramento County

Sacramento Regional Parks

Sacramento Valley Conservancy

Sacramento Municipal Utility District

Water Caucus

California American Water

Carmichael Water District

Citrus Heights Water District

City of Folsom

City of Roseville

City of Sacramento

East Bay Municipal Utility District

El Dorado Irrigation District

Fair Oaks Water District

Golden State Water Company

Orange Vale Water Company

Placer County Water Agency

Regional Water Authority

Sacramento Suburban Water District

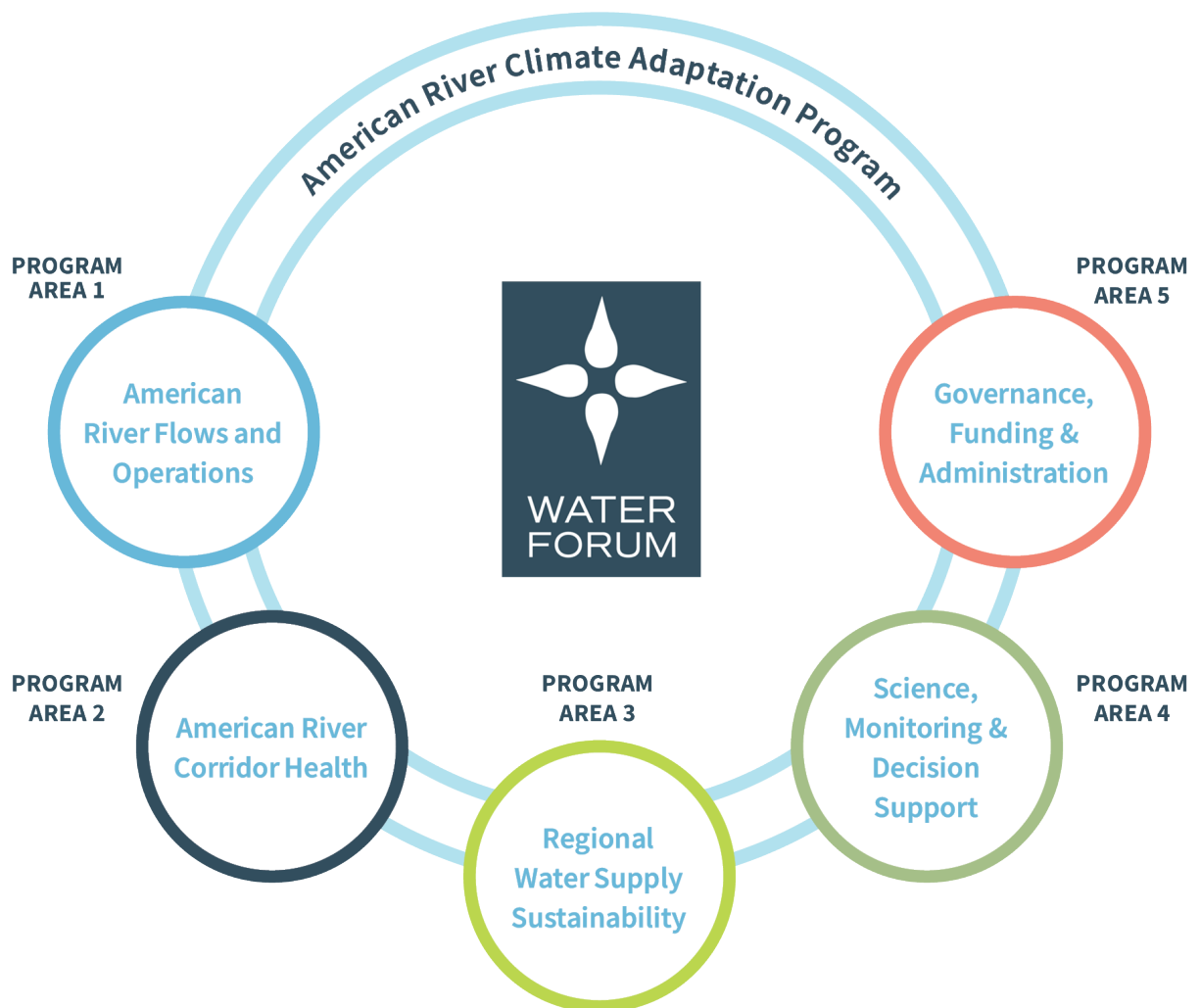
Sacramento County Water Agency

San Juan Water District

Water Forum 2050 Program Areas

Water Forum 2050 (WF2050) comprises five key **Program Areas** (Figure 4), crafted to support the coequal objectives and shape and focus the work of the Water Forum over the next 25 years. The five Program Areas are supplemented by the American River Climate Adaptation Program (ARCAP), a cross-cutting program designed to focus and accelerate progress in all areas by seeking to develop and target additional volumes of water to support the coequal objectives.

Figure 4. WF2050 Program Areas



Common Themes Among Water Forum 2050 Program Areas

Spanning all WF2050 Program Areas are common themes that are foundational to the Water Forum 2050 Agreement. Collaboration and partnership, adaptive management, and advocacy will be central to the work of the Water Forum over the next 25 years, supporting the coequal objectives in the unique context of the challenges the region will face due to climate change.

COLLABORATION AND PARTNERSHIP

At its core, the Water Forum is a venue for effective collaboration and partnership. In addition to the Water Forum's diverse group of member organizations, external partners also inform and influence the work of the Water Forum and/or support the coequal objectives through shared goals. The diversity of member organizations and partners offers valuable opportunities for the sharing of information and resources in support of the coequal objectives, in a manner that is focused and includes a regional perspective that can otherwise be lost when operating in isolation. Within all the Water Forum 2050 Program Areas, opportunities for collaboration and partnership are identified as they relate to the activities and principles of the specific program.

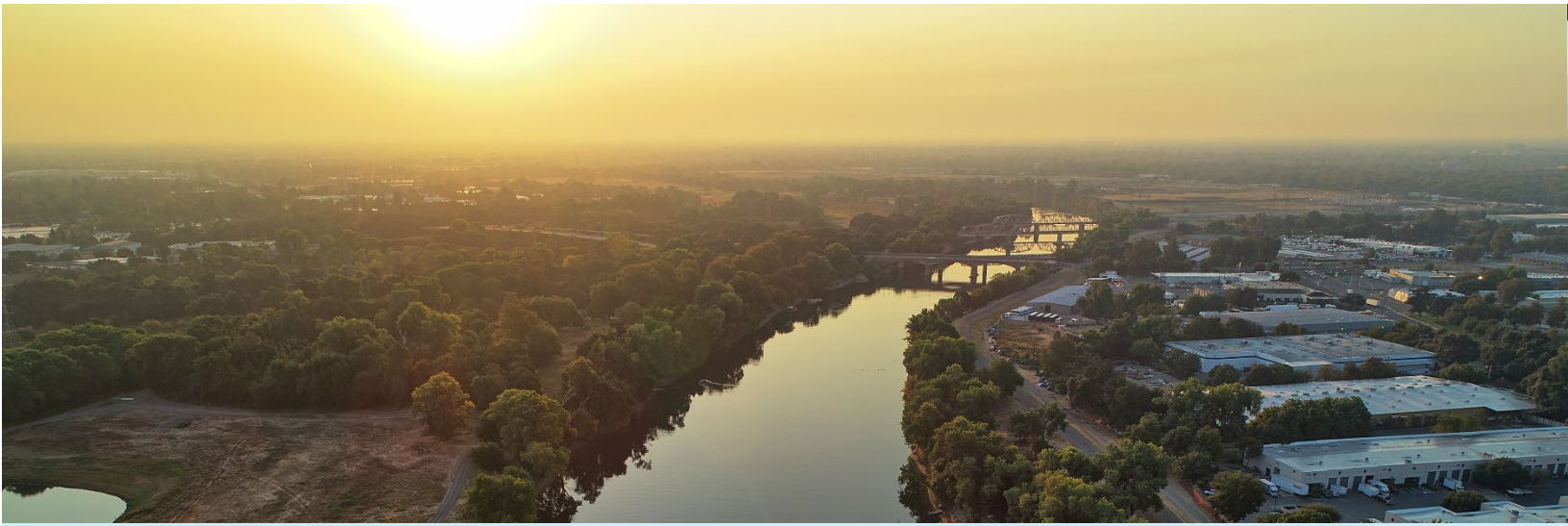
ADAPTIVE MANAGEMENT

Continuously evaluating regional conditions relative to the coequal objectives and the effectiveness of the Water Forum's work is a cornerstone of the 2050 agreement. There is a shared understanding that climate change poses the greatest challenge to the coequal objectives over the next 25 years. However, there is uncertainty regarding the potential severity and timing of realized impacts on the region. Low storage at Folsom Reservoir, increased river temperatures, and more intense wet and dry cycles are expected; however, it is not possible to predict with precision what these will mean for the region or what the most effective responses will be. Each of the Water Forum 2050 Program Areas acknowledges this uncertainty and includes elements to evaluate and adjust priorities and activities as an understanding of regional conditions and needs evolve over the life of the agreement. The Water Forum 2050 agreement also includes a robust *Metrics and Reporting* section that specifies metrics to track the implementation of the agreement and the viability of the coequal objectives, and outlines when and how those metrics will be reviewed and considered.

EXTERNAL ENGAGEMENT

One of the greatest strengths of the Water Forum is the ability to garner and leverage regional support for projects, programs, and activities focused on the coequal objectives. Ultimately, the challenges the region will face over the next 25 years will require action on a scale that exceeds the members' ability to implement. Solutions will require investments from state and federal

partners. Water Forum support and external engagement significantly enhance the likelihood that funding will be allocated to the region. The Water Forum 2050 Program Areas identify where external engagement is expected to be key to the success of the work.



American River Climate Adaptation Program (ARCAP)

Water Forum members recognize that climate change presents the most significant threat to achieving the coequal objectives of water supply reliability and environmental stewardship of the LAR. Climate change has the potential to adversely impact the region in many ways, including those listed below:

- Accelerated decline of salmonids, recreation, and water quality due to decreased flows and increased river temperatures in the LAR.³
- Decreased reliability of the region's urban water supply due to changes in hydrology, and increased strain on statewide water project operations.³
- Increased threat of external claims for American River water due to water-shortage pressure elsewhere in the state.
- Increased drying of soils and plants due to higher temperatures.
- Increased need for overall regional water resilience due to evolving regulatory requirements.

These extreme threats demand the timely and substantial watershed resilience measures contemplated as part of the American River Climate Adaptation Program (ARCAP), **a multi-caucus problem-solving program seeking to develop and target additional volumes of water toward Water Forum coequal objectives**. ARCAP offers a better way for the region to manage water as

³ The Water Forum Ad Hoc Technical Team report of 2022 highlighted significant challenges that will result from climate change, including:

- The region will experience more frequent and more severe droughts and flood events. This pattern will challenge the capability of water storage infrastructure, particularly Folsom Reservoir's ability to provide flood protection and reliable water supplies.
- Salmon and steelhead populations in the lower American River will face significant threats due to suboptimal flows and temperature conditions and poor genetic diversity.
- Folsom storage is projected to be at critically low levels more often due to climate change, creating a substantial risk to regional water supply reliability.

climate conditions become more extreme. It enhances the five Program Areas by voluntarily linking agencies, infrastructure, and policies—creating a truly regional water system where water is managed by agencies to be available when and where it's needed, and cold water is preserved in the American River for fish and future supply is protected.

The ARCAP intends to make measurable quantities of water available to provide demonstrable benefits to both of the Water Forum's coequal objectives. Collectively, these water quantities will be referred to as *ARCAP Water* and can be thought of as an insurance policy against the challenges described above. *ARCAP Water* may include contractual or set-aside supply, or stored water that is managed by one or more entities. *ARCAP Water* could be provided from multiple sources, including:

- **Regional conjunctive use operations** – water stored in the groundwater basin through in-lieu or other recharge and recovery methods. The Water Forum, in collaboration with key partners, will examine the nexus between these activities and the planned Sacramento Regional Water Bank.
- **RiverArc** – relocating the source of water supply from an American River diversion to a Sacramento River diversion for some agencies.
- **Reservoir reoperation** – potential operational changes to provide *ARCAP Water* and enhance coldwater pool conditions in Folsom Reservoir and seek benefits from Forecast Informed Reservoir Operations (FIRO), or potentially through other CVP operational changes.
- **Capture, storage, and use of un-storable water** – may include recharge of excess water during flood operations when releases are well above optimal riverine ecological levels.
- **Vineyard Treatment Plant expansion** – potential additional capacity in the Freeport diversion on the Sacramento River if the Vineyard Treatment Plant were expanded.
- **Sacramento Water Treatment Plant expansion** – The City of Sacramento may increase the capacity of this plant, making additional Sacramento River water available.
- **Water conservation actions** – actions expected to reduce water demand and diversions, potentially making water available for ARCAP.
- **Other sources** may be identified.

ARCAP Water could offer the following benefits for the American River region:

- Additional supplies for water agencies serving communities in the Sacramento Region that are facing significant water shortages during droughts or other conditions.
- Augmented storage in Folsom Reservoir to enhance the coldwater pool and reduce river temperatures to benefit fish.

- Augmented flows in the LAR to benefit fish.
- Increased operational flexibility to benefit CVP operations.
- Increased capture, use, and storage of un-storable and excess flood waters.
- Increased groundwater storage regionally to enhance conjunctive use and support Groundwater Dependent Ecosystems.
- Demonstration of our region's commitment to proactively addressing climate issues and maintaining a sustainable American River watershed.
- Demonstration to Reclamation of our region's commitment towards Folsom Reservoir storage during dry and critical times.

The ARCAP is ambitious, and several important issues must be addressed before this program becomes operational. Because many outstanding questions will be unanswered during the WF2050 negotiations, the ARCAP includes elements focused on technical analysis and resolution of important issues. These technical and interested-party processes will rely on the technical coordination and cooperation of the Regional Water Authority (RWA) (see Program Elements) and consultation with Groundwater Sustainability Agencies (GSAs).

There is a precedent for such an ambitious initiative by the Water Forum. The Flow Management Standard (FMS), for example, has become a major focus of the Water Forum's activities and deliberations over the last two decades, ultimately leading to changes in CVP operations on the LAR. Like the ARCAP, the process for developing and implementing the FMS was not fully defined until after the original WFA was signed.

Guiding Principles

The ARCAP activities will support the Water Forum's coequal objectives by aligning with the guiding principles below:

1. ARCAP Water will provide water supply and ecosystem benefits, and will strive to provide multiple benefits whenever possible.
2. ARCAP Water will be created by using existing or planned regional water sources.
3. Program design and implementation will be conducted openly with all caucuses.
4. Developing and implementing the ARCAP will be a long-term endeavor, but it will progress incrementally to build confidence and support with early implementation, resulting in collective successes.
5. The role of the Water Forum staff in ARCAP development and implementation will focus on coordination with Water Forum members, conducting analyses, advocating for programs and funding, and tracking progress.
6. ARCAP analyses and coordination will be covered in partnership with RWA and the Water Forum.

7. ARCAP questions and issues related to conjunctive use (and possibly the Sacramento Regional Water Bank) will be addressed through a partnership between the Water Forum and RWA, involving water purveyor members and regional GSAs.
8. The ARCAP will work in concert with the FMS and other Water Forum elements to support the coequal objectives.
9. ARCAP Water will not be used to meet the minimum regulatory requirements as defined by the FMS or SGMA (as those are expected to be met per existing regulations and legislation).
10. The use of the Water Forum members' facilities and water supplies for the ARCAP should provide a benefit to those organizations.

Program Elements

To implement the ARCAP Guiding Principles listed above, the Water Forum will commit to the programs, actions, and activities below. These actions are designed to support the Water Forum's coequal objectives through the implementation of the ARCAP and are subject to the relevant caveats and assurances.

1. Technical, Operational, Regulatory, and Legal Issues

Several issues must be resolved before the ARCAP can come to fruition. These issues include:

1. What will be the target volume (if any) of ARCAP Water?
2. What are the sources of water for the ARCAP?
3. Who will own and manage ARCAP Water?
4. How, where, and when will ARCAP Water be stored?
5. Where and when will ARCAP Water be used?
6. How will the Water Forum and members track the sources and destinations of ARCAP water?
7. How will the ARCAP perform under various climate scenarios, including multi-year droughts, critically low storage (aka deadpool), and water supply curtailments?
8. What additional infrastructure will be needed to implement the ARCAP?
9. What will be the technical and physical limitations of the ARCAP?
10. What is the potential maximum volume of water that could be developed through the ARCAP?
11. How much groundwater recharge and recovery is possible in the region?
12. How much groundwater recharge and recovery is needed in the region?
13. Could the modified timing of released ARCAP Water enhance LAR temperature conditions?
14. How can changes in the point of diversion (e.g., from Folsom Reservoir or the LAR to Freeport) provide additional water storage or flow for the LAR?
15. What is the expected increase in un-storable water in the American River system, and what would be necessary to capture and store that water under the ARCAP?

16. Could FIRO increase ARCAP Water supplies, and if so, how much?
17. What opportunities exist to create and track *ARCAP Water* within regional demand management and conservation actions (including climate-ready landscapes and other emerging areas of research)?
18. How will inter-agency commitments to ARCAP be recognized, and how will their operations be counted?

ARCAP will consider the integrated interactions of demand (including demand management actions), supply, source waters, and conjunctive use that may impact the potential benefits of *ARCAP Water*, among other considerations. **Appendix 2** outlines the first two years of technical, operational, regulatory, and legal analyses necessary to begin answering these questions and indicates the roles and responsibilities of the Water Forum and key partners (RWA, GSAs, etc.) in completing the various analyses.

2. External Engagement Strategy

The ARCAP will require partners beyond the signatories to WF2050 to be successful. Sustained efforts to communicate with potential partners will maximize the probability of success. Some of the entities identified for outreach include:

Reclamation – Changes in CVP operations may be sought to help establish or store ARCAP Water. This will require a strategy for ongoing engagement with Reclamation that is consistent among members and flexible in approach. The Water Forum will strive to communicate to Reclamation that ARCAP actions help support their goals of delivering water with minimal shortages and maintaining operational flexibility.

Regional GSAs – Active coordination with the GSAs will be implemented as part of ARCAP and will include the sharing of relevant analyses and data, as well as general information sharing to raise awareness and explore opportunities for collaboration.

California Department of Water Resources (DWR) – The DWR has a regional watershed planning initiative (which RWA is piloting for this region) and is likely to continue serving as a source of funding for water infrastructure and climate resiliency actions. As such, DWR should be kept informed of the ARCAP effort and successes.

State Water Resources Control Board (SWRCB) – The SWRCB would be involved in any transfers of water supplies that utilize water rights established after 1914 or modifications of existing water rights to add new points of diversion.

Fisheries agencies, including the National Marine Fisheries Service, California Department of Fish and Wildlife, and the Federal Fish and Wildlife Service, are likely to have valuable information on employing ARCAP Water to benefit the aquatic ecosystem.

Other entities, such as the California Legislature and Congress, will likely have a keen interest in the ARCAP efforts, and the Water Forum should strive to provide them with regular progress updates.

3. Coordination, Management, and Implementation of *ARCAP Water*

The implementation and management of *ARCAP Water* will be coordinated with regional and external partners. It is expected that the Water Forum will partner with RWA and others on technical analyses to inform the development and deployment of *ARCAP Water*, will coordinate among members as ARCAP is implemented, and will track development. Additionally, the Water Forum will advocate for programs and funding as needed.

4. Program Review and Refinement

It will be necessary to periodically evaluate and refine the ARCAP, given its scope and complexity. A work group composed of Water Forum and RWA members/staff will be established to oversee and guide the ongoing work for ARCAP. A work plan for the ARCAP, including a budget and scope of work, is included in **Appendix 2**. The ARCAP workplan will be reviewed and updated annually.

The annual ARCAP review will analyze the program's successes, challenges, and barriers. A summary of the ARCAP review will be included in the Water Forum's Five-year Status Report (or other periodic Water Forum publication) and will include specific, agreed-upon reporting metrics.

The ARCAP review will, as appropriate, guide changes to the program to ensure long-term success.

Caveats and Assurances

The following list of assurances is intended to ensure that the Water Forum develops and implements the ARCAP through a concerted and good-faith effort that supports the coequal objectives and embodies the Water Forum's Values.

- 1. The ARCAP will be developed and implemented, with opportunities for open cross-caucus discussions and guidance, utilizing the Water Forum's decision-making processes. This applies to both technical processes and member deliberations.*
- 2. The Water Forum will work jointly with RWA and the GSAs to resolve technical issues during ARCAP development and implementation. Staff from RWA and the Water Forum will work together in a collaborative relationship to support this program and will engage with the regional GSAs.*
- 3. The ARCAP approach will strive to add value and avoid creating added costs, duplicative processes, and bureaucracy.*
- 4. The ability of Water Forum members to identify and employ ARCAP Water does not imply that the American River is in excess conditions.*
- 5. ARCAP implementation will complement and support other Water Forum programs (e.g., FMS).*

6. *The Water Forum will review the successes and challenges of the ARCAP and refine the program as needed, with adjustments agreed upon by all caucuses.*
7. *ARCAP assets (e.g., water rights and contracts, wells, diversion works) will remain under the control of the owning agencies.*
8. *The role of the Water Forum (including its staff and members) will be to coordinate ARCAP actions, complete agreed-upon technical analyses and studies, advocate for programs and funding, and track and review the status of these programs.*
9. *The Water Forum and RWA will respect the operational authority and third-party agreements of their members, which are necessary for their contributions to ARCAP Water.*
10. *No part of the ARCAP will abridge the authorities, entitlements, or agreements of Water Forum members without the express consent of the relevant parties.*



Program Area 1: American River Flows and Operations

The American River Flows and Operations (ARFO) Program Area includes three areas of focus for Water Forum activities and commitments:

- Flow Management Standard
- Flood Operations
- Temperature Management and other Water Management Infrastructure

FLOW MANAGEMENT STANDARD

The Flow Management Standard (FMS) for the LAR was envisioned and prescribed under the original WFA, and the first iteration was completed in 2006. As new data, tools, and technology have become available, the FMS has been updated and refined to support the Water Forum's coequal objectives⁴. The features of the FMS (i.e., minimum reservoir releases, storage targets, and temperature management protocols) provide guidelines for the operation of Folsom Dam and the LAR to help protect river health and preserve water supply reliability, particularly during droughts when water supplies are reduced and competing demands arise.

The degree to which the FMS features are included in the operations and planning of Folsom Reservoir depends greatly on engagement with Reclamation and advocacy for regional interests within CVP operations. The flows and river temperatures on the LAR are directly related to the operations of Folsom Dam, which Reclamation owns and operates as part of the broader CVP. The CVP is an extensive, multi-purpose network of dams, reservoirs, canals, hydroelectric power plants, and other facilities that span 400 miles of inland California, providing water supplies to municipal (including Sacramento area purveyors), industrial, refuge, and agricultural water users. Additional authorized purposes of the CVP include flood protection, recreation, navigation, flow

⁴ In late 2024 the most recent iteration of the FMS was referred to as the Modified Flow Management Standard (MFMS) and was referenced as such in the 2019 Biological Opinion.

augmentation, fish and wildlife enhancement, fish and wildlife mitigation, power generation, and water quality enhancement (particularly in the Delta). Proportionally, both the demand on CVP water within the American River region and the storage capacity of Folsom Reservoir are relatively small parts of the broader CVP demands and storage capacities, respectively. However, the proximity of Folsom Reservoir to the Sacramento-San Joaquin Delta (Delta) in comparison to other CVP storage facilities makes it one of the first facilities called upon when Delta water quality improvements are needed. This action is further fueled by Folsom Reservoir's small storage capacity relative to historical runoff volumes⁵ and an underlying perspective by Reclamation and other CVP contractors that Folsom Reservoir is more likely to refill each year as compared to other CVP reservoirs.

Historically, Water Forum members have engaged with Reclamation and other federal and state agencies to advocate for changes in operations and infrastructure that could support the coequal objectives⁶. In seeking implementation of the FMS and to reduce potential resistance, the Water Forum strived to balance the features of the FMS such that the impacts to out-of-basin uses were minimized. However, LAR conditions, particularly river temperatures, have been severely challenged over the last several decades, and CVP operations for broader system-wide objectives, including the magnitude of deliveries and the contractual priority of out-of-basin water users, can be at odds with the needs of the LAR. For example, Folsom Reservoir releases are frequently at their peak during the summer months to support CVP deliveries outside of the basin and to maintain water quality in the Delta. However, these increased releases in the summer months can challenge temperature management on the river, particularly for the fall spawning season.

River temperatures on the LAR have long been understood to be the primary limiting factor for salmonid species in the river. Current temperature targets for salmonid species, as stated in various regulatory requirements, are frequently exceeded, and detrimental temperature conditions are particularly prevalent and extreme in drought years due to lower storage (and therefore less cold water) within Folsom Reservoir and lower flows below Nimbus Dam. Additionally, the releases from Folsom Reservoir into Lake Natoma create further challenges for temperature management due to the warming that can occur before the water is released into the LAR. Over the last 15 years, the temperatures known to be optimal for the resident salmonids' key life stages have rarely been met on LAR and have trended towards upper tolerable in the best of years. Droughts have become increasingly frequent over the last 20 years and are projected to become more severe and frequent in the future. Temperature models indicate that under climate change, river temperatures are expected to routinely be markedly above the suitable ranges for

⁵ Folsom Reservoir storage capacity is just under 1 million-acre-feet (MAF) and the historical annual Folsom Reservoir inflow between 1976 and 2024 was just over 2.7 MAF. In approximately two-thirds of the years between 1988 and 2024, a portion of inflow could not be stored due to Folsom Reservoir's flood management responsibilities.

⁶ Water Forum and Reclamation signed a Memorandum of Understanding (MOU) in 2021 to formalize information sharing and communication on LAR conditions, operations, and forecasts.

resident salmonids for nearly half of the year, creating unhealthy or even lethal conditions for the fish. Extreme climate change scenarios indicate that the survival of the salmonids in the LAR could be severely threatened.

Temperature management improvements, including both operational and physical enhancements, will be crucial under future conditions to enhance the health of the river and support the Water Forum's coequal objectives. Therefore, FMS Program Elements include opportunities for strategic partnerships and engagement related to the Water Forum's operational temperature management activities through the maintenance and updating of the FMS. Improvements to temperature management *infrastructure* are discussed in other sections of this program area, along with specific challenges and opportunities related to managing the cold-water resources on the LAR system.

As the region enters a new era of water management and shifting hydrology due to climate change, the Water Forum aims to maintain the integrity of the FMS through appropriate adjustments, ensuring it remains effective and relevant.

Guiding Principles

The FMS will:

1. Be designed to help protect the health and productivity of the LAR resident salmonids (steelhead and chinook) while balancing regional water supply needs and the recreational and esthetic values of the LAR.
2. Provide the following *functions* for the LAR⁷:

Primary Functions

- a. Support physical habitat availability and favorable water temperatures for the spawning life-cycle stage of chinook and steelhead.
- b. Support favorable water temperatures for the rearing life cycle stage of chinook and steelhead.
- c. Provide storage protections to minimize the frequency of low storage at Folsom Reservoir, for both water supply and cold-water resources.

Secondary Functions

- d. Support physical habitat availability for the rearing life cycle stage of chinook and steelhead.
3. Avoid causing unreasonable impacts to water uses outside of the American River Basin.

⁷ Updates to the stated FMS functions can be made with confirmation from the Plenary.

4. Will not be inconsistent with the applicable flood control objectives and operational guidelines for protecting the Sacramento region downstream of the Folsom and Nimbus dams.
5. Include mechanisms to update and refine FMS features and functions based on changing conditions and the availability of new data and tools.
6. Align with other Water Forum commitments in the driest conditions to ensure that both in-stream and consumptive users share the burden of reduced supplies.

Program Elements

1. Ongoing Monitoring, Tracking, and Reporting

Metrics and indicators for the effectiveness of the FMS will be monitored and tracked for the duration of the agreement (as described in the *Science, Monitoring, Decision Support, and Reporting Program Area*). Thresholds, or triggers, for actions related to the FMS will be established based on the metrics identified in the Metrics and Reporting section. Performance towards the identified metrics will be reported consistently.

2. Cross-Caucus and Internal Coordination

The Water Forum will schedule regular internal meetings with an inter-caucus group of representatives with knowledge and interest in the real-time flows and operations on the LAR (Cross-Caucus). The frequency of the Cross-Caucus meetings will depend on the needs of the given water year and could range from monthly to weekly (drought years will likely require heightened levels of coordination as compared to wetter years). The purpose of the Cross-Caucus meetings will be for caucus members to coordinate with Water Forum staff to develop a recommended approach to current and forecasted reservoir operations and strategize for regional advocacy. The approach will be informed by the best available and current data, including forecasts, reservoir operations, and flows on the LAR. In their meetings with Reclamation and other regulatory agencies, Water Forum staff will advocate for the position developed by the caucus representatives. An emphasis of the Cross-Caucus will be on guiding implementation of the FMS within the relevant regulatory framework. Regular updates from the Cross-Caucus meetings will be provided at the caucuses, highlighting key issues and strategies identified as relevant to the success of the FMS.

3. External Engagement for Implementation

Reclamation is the principal implementing agency for key features of the FMS (reservoir releases, Folsom storage, temperature management); state and federal resource agencies also have critical roles in the oversight and regulation of Folsom operations. Active relationships with external partners will be necessary for the FMS to be implemented over time. Key partnerships and relationships are outlined below.

Reclamation. The Water Forum will continue to work with managers and operators on seasonal and real-time implementation of the FMS, including participation in regular

meetings regarding current conditions and forecasts, and engagement in the American River Group (ARG) monthly meetings (see below for more information). Water Forum discussions with Reclamation related to seasonal and real-time planning and operations may consider implications of broader CVP operations on LAR targets and conditions. In addition, when regulatory processes regarding operations on the LAR relevant to the FMS are initiated, the Water Forum will engage to support the inclusion of FMS features and to ensure that American River interests are fully considered by Reclamation within the broader context of regulatory processes governing CVP operations. For example, the current FMS is referenced (in part) in the 2019 Biological Opinion on Long-term Operation of the CVP and the State Water Project (BiOp) issued by National Oceanic and Atmospheric Administration Fisheries (NOAA Fisheries) and governs Reclamation's operations, affecting implementation of FMS flows, storage, and temperature management protocols. Future efforts will be made to ensure that references to the FMS are continued in regulatory frameworks and that the information referenced reflects current understanding. In other words, as relevant regulatory processes and documents are updated, the Water Forum will work to facilitate the inclusion of references to the most recent FMS documentation and ensure shared understanding.

In 2021, the Water Forum and Reclamation signed an MOU to identify and implement communication and information sharing activities related to Reclamation's operations on the LAR. Specifically, the MOU focuses on the implementation of key elements of the FMS (end-of-December storage, minimum reservoir releases, temperature management, etc.). Since the signing of the MOU, Water Forum staff and members have been meeting with Reclamation at regular intervals to share and discuss information related to the latest forecasts, conditions, and operations decisions.⁸

Additional details related to the Water Forum's expected engagement with Reclamation are provided in **Appendix 3**.

NOAA Fisheries: NOAA Fisheries is the primary federal regulatory agency responsible for protecting federally listed threatened and endangered anadromous species on the LAR. The Water Forum will actively maintain working relationships with NOAA Fisheries representatives working on the American River operations to facilitate their understanding of FMS features and functions.

U.S. Fish and Wildlife Service (USFWS): The USFWS's work on the LAR focuses on protecting federally listed species, including guiding research, developing conservation

⁸ As of January 2024, aspects of that MOU have expired, and updates will need to be explored and pursued. Specifically, the 300 TAF end-of-December planning minimum for Folsom Reservoir storage was established for a pilot period for calendar years 2020-2022. Current efforts are underway to include a similar planning minimum in a forthcoming updated BiOp, but pending the outcome of those efforts, continued engagement with Reclamation will focus on the implementation of FMS features as needed.

actions, and partnering to restore habitats and recover species. The Water Forum will actively maintain working relationships with USFWS representatives working on the American River operations to facilitate their understanding of FMS features and functions.

California Department of Fish and Wildlife (CDFW): CDFW operates the Nimbus Fish Hatchery on the LAR and leads many of the surveys and data collection efforts focused on the health and status of fish in the LAR. The Water Forum will continue to coordinate and partner with CDFW on activities related to implementing the FMS.

State Water Resources Control Board (SWRCB): The SWRCB is responsible for administering water rights in California and thus oversees the water rights permits and licenses held by Reclamation and other diverters on the American River. In addition, the SWRCB regulates water quality in the Delta. Some SWRCB actions impacting conditions on the LAR can include (but are not limited to) issuing temporary urgent change petitions (TUCPs) for Delta water quality (impacting CVP operations) and water right curtailment during drought emergencies, adopting flow standards for river systems, updates to the Bay Delta Water Quality Control Plan⁹, and otherwise regulating flows on the LAR.

It is the intent of the signatories to the WF2050 that the FMS will be permanently implemented, recognizing that over time the FMS will be refined to reflect updated understanding of the needs of the river. One way this can be implemented will be an updated SWRCB flow standard for the LAR. It is also the intent that there be flexibility (adaptive management) in the implementation of the FMS to reflect real-time ecological considerations.

The Water Forum will continue to be an active member of the American River Group (ARG), which offers a monthly opportunity for LAR interested parties to convene and share the latest information related to reservoir inflows, reservoir and hatchery operations, river conditions, and fisheries status. Reclamation established the ARG as a working group to coordinate fishery and operational requirements for the LAR in 1996. Reclamation is the lead coordinator, bringing together those who have either a legislated or resources-specific interest in the operation of Folsom Dam and Reservoir and the LAR. The formal members include Reclamation, the Water Forum, and agencies with public trust responsibilities for fisheries resources in the LAR, which include USFWS, NOAA Fisheries, and CDFW. Members of the public and other agencies are welcome to attend ARG meetings and provide comments on matters under consideration by the ARG. Reclamation considers the information provided at ARG when making operational and management decisions regarding temperatures and flows necessary to sustain fish resources in the LAR.

4. Periodic Updates and Refinements to the FMS

The status of the FMS (effectiveness and level of implementation) will be reviewed on a regular basis within the broader Metrics and Reporting efforts of the Water Forum and the FMS will be

⁹ Also known as the Health Rivers and Landscapes Program.

updated and refined when new data or tools, or new approaches that may have merit, indicate that revisions would improve contributions of the FMS to supporting the coequal objectives, and/or when processes to update relevant regulatory requirements are pursued.

Caveats and Assurances

1. *Signatories acknowledge that, while minimum reservoir releases are a key feature of the FMS, flows above the specified minimum releases can provide important benefits for wildlife, recreational, and aesthetic values of the LAR.*
2. *Signatories acknowledge that low Dissolved Oxygen (DO) levels have a significant impact on the health of salmonids, thereby negatively affecting the benefits of the FMS. Consequently, Folsom Reservoir complex management actions must take this factor into account to avoid unhealthy DO levels.*
3. *Signatories acknowledge that Folsom Reservoir storage levels in the spring are critical to the volume of cold-water pool available for the effective implementation of the FMS during the rest of the year, and that management actions should be taken to preserve as much reservoir storage as feasible during this timeframe.*
4. *All signatories agree to recommend to the SWRCB an updated American River Flow Management Standard, developed by the Water Forum, that protects the fishery, wildlife, recreational, and aesthetic values of the lower American River. The recommendation will include requirements for Reclamation releases to the LAR.*
5. *The Water Forum will develop recommendations to inform transfer activity in the region, subject to agencies' determinations of operational, regulatory, and contractual feasibility, to be as consistent with the FMS as possible and maximize the value of the transfer water for the health of the LAR.*
 - a. *Note: Current regulations include a commitment to implement certain aspects of the FMS, and water moved through a transfer agreement has the potential to offer additional flows and/or temperature benefits to the LAR, pending operational constraints such as, but not limited to, timing of deliveries, infrastructure capacity, regulatory or discretionary actions by Reclamation.*
 - b. *Note: When transfers are arranged with Reclamation, purveyors can make requests or suggestions regarding how and when water is moved through the system; however, operational decisions are ultimately at the discretion of Reclamation and are subject to regulatory requirements.*

FLOOD OPERATIONS

As the American River watershed experiences climate change, the characteristics of flood events are expected to change from those historically observed. In response to the changing hydrology, modifications to flood operations may be necessary not only to continue to provide the Sacramento region with needed flood protection but also to avoid compromising the Water

Forum's coequal objectives. Specifically, changes in precipitation patterns, shifting increasingly from snow to rain under climate change, are expected to result in a reduced snowpack and shifts in the timing and magnitude of flows into Folsom Reservoir. Consequently, if Folsom flood operations are not changed accordingly, lower reservoir storage at key times in the year could lead to reduced regional water supply reliability and increased river temperatures.

Current climate models consistently indicate that global temperatures are increasing and will continue to increase for years and decades to come (the summer months of 2023 and 2024 were both record-breaking years for heat). Regionally, warmer temperatures in the upper watershed will result in more precipitation occurring as rain instead of snow, leading to more intense and extreme conditions for both storms and droughts. These changes in precipitation patterns and temperatures are likely to result in inflows to Folsom Reservoir arriving earlier in the season than observed historically, and potentially at higher flow rates—particularly during severe storm events—stressing the existing flood operations and infrastructure at Folsom Dam and on the LAR. High volumes of water arriving quickly at Folsom Reservoir with the rainstorm events, rather than slowly over the spring and summer as snowmelt, will make it harder to capture and store the runoff for use in the drier months due to the relatively small size of Folsom Reservoir.

Enhanced operational flexibility for flood operations at Folsom Reservoir could help to mitigate the impacts of climate change on regional water supply and river temperatures by creating opportunities to store and capture increased amounts of reservoir inflows during flood seasons. Operational flexibility refers to the ability to adapt and adjust the management of a reservoir to changing conditions and forecasts. It often involves real-time monitoring, forecasting, and communication with relevant authorities to make timely and informed decisions to protect downstream communities and infrastructure from flooding.

The goal of operational flexibility is to retain water in the reservoir for various purposes, such as water supply, hydropower generation, and ecosystem benefits, while maintaining the ability to manage the reservoir to regulate the anticipated inflow in a controlled and safe manner, thereby reducing the risk of flood-related damage. Operational flexibility involves making decisions about when to release water from the reservoir, how much water to release, and at what rate to make the releases, while considering factors such as weather forecasts, upstream inflows, downstream conditions, and the potential for flood-related damage. Future considerations for operational flexibility may need to include innovative approaches to reservoir management in order to address the challenges posed by climate change¹⁰.

¹⁰ For example, a study at the time of signing the WF2050 agreement indicated benefits to reservoir storage by managing reservoirs based on hydrologic cycles rather than years (i.e., a new cycle starts when all the reservoirs in a system are full, not when a new water year begins).

Guiding Principle

1. Support and advocate for enhanced operational flexibility within the American River watershed through improvements in infrastructure and procedures to increase flood protection for the Sacramento region and contribute to the coequal objectives.

Program Elements

Reclamation operations of Folsom Reservoir for flood control are subject to the conditions of the Water Control Manual issued by the U.S. Army Corps of Engineers (USACE), which is the primary regulatory agency for flood operations at Folsom Dam¹¹. These two agencies are the primary implementation agencies, as the flood operation at Folsom Dam is the dominant element for flood management in the Sacramento region. In addition, current Water Forum members, specifically the Sacramento Area Flood Control Agency (SAFCA) and the American River Flood Control District (ARFCD), both have active roles in flood management for corresponding facilities (infrastructure downstream of Folsom Dam) and their associated operation and thus are also implementing agencies related to flood operations.

The Water Forum will support implementing agencies' programs, projects, and activities that are aligned with the WF2050 flood operations guiding principle of increased operational flexibility in the American River watershed, as described below.

1. Support for Projects, Programs, and Activities

The Water Forum will engage and support implementing agencies' projects, programs, and activities as appropriate and feasible in pursuit of the flood operations guiding principle. Support can include (but is not limited to):

- Funding for technical analysis
- Staff and/or consultant participation in project planning
- Providing regional education and awareness

Staff will monitor and track regional efforts that align with the flood operations guiding principle, and, when there is an opportunity to add value through support, staff will develop recommendation(s) for Water Forum contributions for consideration by the Coordinating Committee, the caucuses, and the Plenary. Relevant projects and programs may include enhanced hydrologic forecasting capabilities, new monitoring stations in the upper watershed, flood-managed aquifer recharge projects, enhanced FIRO at Folsom Dam, changes to structures and operations at selected upstream reservoirs, and nature-based solutions, among others.

Signatories support pursuing a Preliminary Viability Assessment of American River Watershed Forecast-Informed Reservoir Operations (Watershed FIRO) in partnership with Reclamation, USACE, National Oceanic and Atmospheric Administration (NOAA), and others, where

¹¹ Water Control Manual will be updated as project to raise the dam to add 3 ft for freeboard is completed.

appropriate and possible. Watershed FIRO offers the potential for improved water supply reliability and temperature management through increased operational flexibility, resulting in increased water storage volumes at Folsom Reservoir by the end of the flood season. In addition, where feasible and with willing partners, Watershed FIRO may include elements of nature-based solutions and upstream reservoir modifications in the upper watershed to enhance the benefits and durability.

Signatories support the identification and implementation of excess flood water recharge when: 1) carried out within the region; 2) designed, constructed, and operated in accordance with appropriate environmental and engineering standards/requirements, and the FMS; and 3) consistent with and supporting the Water Forum's coequal objectives. These concepts and opportunities will be explored and analyzed within the ARCAP.

2. External Advocacy for Improvements

Some opportunities for improving operational flexibility at Folsom Dam will involve addressing layers of jurisdiction and governance at the local, regional, state, and federal levels. The role of advocacy by the Water Forum (as a representative of broad local interests) can play an important part in the success of a given effort. Opportunities for advocacy may include (but are not limited to):

- Communications with federal partners (i.e., Reclamation, USACE)
- Advocacy at the federal level with specific messaging¹²

Staff will maintain awareness of opportunities for improvements to operational flexibility within the American River watershed, and as identified (with support from members and consultants), staff will develop recommendations for Water Forum advocacy for consideration by the Coordinating Committee and the Caucuses, as relevant.

Caveats and Assurances

1. *The Water Forum Signatories support pursuing a Preliminary Viability Assessment of American River Watershed Forecast-Informed Reservoir Operations¹³ (Watershed FIRO) in partnership with Reclamation, USACE, NOAA, and others, where appropriate and possible.*
2. *The Water Forum signatories support the identification and implementation of excess flood water recharge when: 1) carried out within the region; 2) designed, constructed, and operated in accordance with appropriate environmental and engineering*

¹² The Coordinating Committee reviews talking points and briefing materials with the Executive Director to ensure proposed messaging adequately supports the coequal objectives and is representative of the caucuses' interests.

¹³ Definitions of FIRO can vary, but generally includes expanding meteorological, watershed, channel condition, and environmental monitoring; advancing technology to enhance meteorological, watershed, channel condition, and environmental forecasting; and integrating data collection, management, display, and analysis capabilities into decision support systems related to reservoir operations.

standards/requirements, and the FMS; and 3) consistent with and supporting the Water Forum's coequal objectives.

TEMPERATURE AND OTHER WATER MANAGEMENT INFRASTRUCTURE

Temperature management improvements, including both operational and infrastructure improvements, will be critical under future conditions to help protect the health of the river and to support the coequal objectives. Key opportunities for Water Forum engagement related to operational temperature management activities primarily involve maintaining and updating the FMS, which includes setting storage targets at key times of the year, developing strategies for utilizing available tools for river temperature management, and exploring strategic partnerships and opportunities for engagement. Temperature management infrastructure improvements can be a crucial tool for further optimizing and protecting cold-water resources for the LAR.

Currently, the existing infrastructure for temperature management on the LAR includes temperature shutters on the power intakes at Folsom Dam (note that although the lower-level dam outlets are sometimes used to improve temperature conditions as a last resort, temperature management is not the primary purpose of those facilities). The temperature shutters at Folsom Dam enable water to be drawn from varying levels within the water column, offering some flexibility in managing the cold-water resources. However, the existing shutters are decades old, require manual placement within the water column, and without undertaking the cumbersome task of separating (or “de-ganging”) individual panels within the shutters, the flexibility for selective withdrawal is limited. In addition, the shutters are known to leak cold water at lower elevations than intended due to design and structural limitations, which further limits their effectiveness.

Improvements to the existing temperature shutters, as well as other temperature infrastructure projects, were proposed and/or studied in the LAR system over the last couple of decades, including a method to access cold water below Folsom Dam's penstocks. The Water Forum has contributed to studies and discussions of some of these projects in the past and has been integral to advocating for improvements¹⁴. Current plans for updated temperature shutters on the Folsom Penstocks have been authorized by Congress.

The last 20 years of operations on the LAR have illustrated the challenges of maintaining suitable temperatures for resident salmonids even when Reclamation's operation of Folsom Dam is consistent with applicable regulatory mandates. There are established thresholds for optimal fish health, which are specified as targets in various regulatory documents. Within these regulatory frameworks, optimal temperature targets are often coupled with options for exceeding them by varying degrees, based on their relative feasibility within a given year due to hydrologic

¹⁴ Areas of study have also included examination of opportunities to reduce heat gain across Lake Natoma, which presents additional challenges to temperature management on the LAR.

conditions and CVP operations. In recent decades, temperatures have frequently trended towards or exceeded the upper ends of suitable habitat conditions. These challenges are expected to continue and will be exacerbated by increased ambient air temperatures and shifting hydrology predicted by climate change.

In addition to known challenges related to temperatures on the LAR, over the last several years, there has been a growing awareness and concern regarding low dissolved oxygen (DO) levels in Folsom and Nimbus Dam releases, as well as associated DO levels at the Nimbus Fish Hatchery and on the LAR. In the fall of 2023, at a time when Reclamation was releasing water from lower elevations in the water column to access colder water, DO levels were recorded in both Lake Natoma and the LAR below suitable thresholds for salmonid survival. The fish were essentially at risk of suffocating in the water. Over the course of several days, with access to Water Forum DO data collected at key locations on the LAR, Reclamation was able to implement careful and effective infrastructure management actions to raise the DO levels to more suitable levels; namely, implementing the power bypass at Folsom Dam (i.e., releasing water from the lower outlets) and spilling water over the gates at Nimbus Dam (rather than through the penstocks). At this time, it remains unclear whether DO will continue to be a concern on the LAR and what actions will be most appropriate in response. However, infrastructure improvements to manage DO may need to be considered in the future, and options for aeration without bypassing power generation explored.

Given the current and projected temperature and DO challenges on the LAR, as well as the aging existing infrastructure, Water Forum support and advocacy for the continued enhancement of temperature and other water management infrastructure, along with considerations for future improvements, are imperative for contributing to healthier fisheries in the LAR.

Guiding Principle

1. Support and advocate for operational and infrastructure improvements within the American River watershed that contribute to more effective water temperature management and other important water quality attributes on the LAR for anadromous salmonids.

Program Elements

Reclamation and USACE are the principal parties responsible for infrastructure installation and management on both Folsom and Nimbus Dams. In addition, SAFCA has an active role in current efforts to improve the temperature shutters at Folsom Dam¹⁵. Known key areas for future improvement include:

¹⁵ There are efforts underway to design and implement updated, remotely controlled temperature control shutters at Folsom Dam.

- Infrastructure at Folsom Dam to improve access to coldwater resources in Folsom Reservoir (i.e., temperature shutters, penstocks, and powerhouse)
- Options to reduce heat gain across Lake Natoma

The Water Forum will support implementing agencies' programs, projects, and activities that align with the WF2050 temperature management infrastructure guiding principle, as described below.

1. Support Projects, Programs, and Activities

The Water Forum will support implementing agencies' projects, programs, and activities (as appropriate and feasible) in pursuit of the temperature and other water management infrastructure guiding principles. Support can include (but is not limited to):

- Funding for technical analysis
- Staff and/or consultant participation in project planning
- Providing regional education and awareness

Staff will monitor and track regional efforts that align with the temperature management infrastructure guiding principle. When there is an opportunity for Water Forum engagement, they will develop a recommendation for Water Forum contributions for consideration by the Coordinating Committee, the caucuses, and the Plenary. A current list of temperature management projects and programs is included in **Appendix 4**.

Signatories support the current efforts to redesign and improve the temperature control shutters at Folsom Dam and will consider opportunities for Water Forum support and advocacy. Until improvements are made, signatories support the implementation of a power bypass at Folsom Dam in all years as necessary to provide suitable fall spawning temperatures for LAR resident salmonids, unless September temperature modeling indicates that 56°F or lower can be achieved at Watt Avenue on or before November 1st without the bypass.

2. External Advocacy for Improvements

Opportunities for improvements to temperature and other water management infrastructure will involve layers of jurisdiction and governance at the regional, state, and federal levels. The role of advocacy by the Water Forum (as a representative of broad local interests) can play a valuable and important part in the success of a given effort. Opportunities for advocacy may include (but are not limited to):

- Communications with federal partners (i.e., Reclamation, USACE)
- Advocacy at the federal level with specific messaging

Staff will maintain awareness of opportunities for improvements to water management infrastructure at Folsom and Nimbus Dams, and as identified (with support from members and

consultants), staff will develop recommendations for Water Forum advocacy for consideration by the Coordinating Committee¹⁶ and the Caucuses, as relevant.

Caveats and Assurances

- 1. Signatories support the current efforts to redesign and improve the temperature control shutters at Folsom Dam and will consider opportunities for Water Forum support and advocacy. Until improvements are made, signatories support the implementation of a power bypass at Folsom Dam in all years as necessary to provide suitable fall spawning temperatures for LAR resident salmonids, unless September temperature modeling indicates that 56°F or lower can be achieved at Watt Avenue on or before November 1st without the bypass.*

¹⁶ The Coordinating Committee reviews talking points and briefing materials with the Executive Director to ensure proposed messaging adequately supports the coequal objectives and is representative of the caucuses' interests (see Program Area 5: Governance, Funding, and Administration).



Program Area 2: American River Corridor Health

The American River Corridor Health (ARCH) Program Area includes one area of focus for Water Forum activities and commitments:

- American River Corridor Health Program

AMERICAN RIVER CORRIDOR HEALTH PROGRAM

The Water Forum commits to sustaining the American River Corridor Health (ARCH) Program to further improve, recover, enhance, and maintain the resources of the LAR corridor in service of the coequal objectives.

The ARCH Program builds on the success of the existing Water Forum Habitat Management Element (HME) program, as described in the first WFA. The ARCH Program is designed to take a multifaceted approach to support the coequal objectives by leading habitat and science efforts for the LAR, as well as collaborating with partners to achieve a thriving river corridor and region. Although many projects directly implemented under the ARCH Program focus on habitat, education, science, and decision-support activities, actions that support a robust and healthy river corridor also contribute to water supply reliability and economic vitality for our region.

Guiding Principles

1. Maintain a focus on the health of the LAR consistent with the coequal objectives.

All activities covered under the ARCH Core Program are in direct support of the Water Forum's coequal objectives.

These Core Program activities comprise most actions and projects under ARCH and meet specific criteria to:

- Continue improvement, recovery, enhancement, and maintenance of LAR corridor natural resources¹⁷ by leveraging Water Forum funding to maximize available local, state, and federal grant funding.
- Lead implementation of native salmonid habitat and multi-benefit¹⁸ natural resource projects within the LAR corridor.
- Support study and implementation of actions that improve flow and temperature conditions, and habitat quantity and quality for native species along the LAR corridor and broader region.
- Support public outreach and education associated with Water Forum efforts on the LAR.
- Advocate at the local, state, and federal level to support Water Forum efforts on the LAR, including efforts of Water Forum signatories and partners to support achieving the coequal objectives.

2. Leverage advocacy and partnerships in pursuit of shared goals.

Advocacy and partnerships contribute to the Water Forum's ability to improve resource conditions in support of its coequal objectives. As opportunities arise and resources permit, the Water Forum participates in regional and potentially broader initiatives and efforts in support of the coequal objectives. Actions and projects supported as part of the non-Core Program would meet specific criteria associated with effectiveness, costs, and benefits, and nexus with the coequal objectives, including:

- Maintaining an awareness of relevant projects and programs (e.g., Regional Parks Natural Resource Management Plan advancement, Central Valley Project Improvement Act Science Integration Team (CVPIA SIT) strategy development, etc.)
- Strengthening collaboration with American River Parkway and watershed partners (e.g., CDFW, Reclamation, NMFS, Regional Parks, Soil Born Farms, etc.)
- Leveraging Water Forum funding where appropriate (e.g., cost-sharing grant-funded activities, such as temperature modeling, for mutual gains and decision support)
- Identifying areas of advocacy and support for mutual gains to benefit the region (e.g., participating in advisory groups for partner projects, data sharing, outreach, etc.)

¹⁷ Consistent with applicable policies, goals, plans, guidance, and laws governing the resources, lands, and funding sources associated with ARCH Program work (including but not limited to the American River Parkway Plan and Natural Resource Management Plan (NRMP), CVPIA Anadromous Fish Restoration Program guidelines, etc.).

¹⁸ Multi-benefit projects are defined as those that do not focus on a single corridor resource, and intentionally include elements to serve multiple needs, including recreation, education, multiple species, etc.

3. Continue a commitment to adaptive management of Program activities.

Consistent with current practice, the ARCH Program will continue to incorporate “adaptive management” actions into its Program and project planning, not only to maintain the status quo but also to continually improve outcomes associated with the work of the ARCH Program.

Adaptive management and assessments of “lessons learned” will continue to occur at different intervals appropriate to the action being evaluated (i.e., salmonid project design assumptions are revisited on an annual basis based on fishery, hydraulic, and geomorphic data collection and analyses, whereas adaptive management associated with hydrologic changes influenced by climate change would be evaluated on a longer timescale).

Current best practices of adaptive management for the ARCH Program include, but are not limited to, the following:

- Monitoring and evaluation of the corridor health project effectiveness
- Review of existing assumptions and new data and analysis of hydrologic conditions in the watershed and region, and hydraulic conditions in the river corridor
- Synthesis of information gleaned from Water Forum-led and collaborative partnerships regarding fishery and other resource conditions
- Continuous coordination with state and federal agencies to ensure programs and planned activities are responsive to changing resource conditions associated with growth and climate change, updated agency guidance, and maximizing funding opportunities, etc.

Adaptive management activities support flexibility in addressing emerging issues and responding nimbly to changing conditions as additional scientific information and funding become available, as well as accommodating climate change and resource needs within the region. A continued robust program of coordination, advocacy, and funding for science, monitoring, and decision support activities is needed to support the coequal objectives through adaptive management.

Adaptive management is currently associated with ongoing WF2050 program areas, specific projects, and responses to emerging needs (i.e., implementation of the DO pilot study or review of the FMS during the ongoing BiOp Reconsultation process). However, the scale of adaptive management is expected to expand or contract over the term of WF2050 and can be easily scaled to accommodate potential new program areas or activities necessary to support improved outcomes, improved understanding associated with changing resource conditions over time, and adaptations needed to align with principles of the broader WF2050.

4. Ensure resource protection in compliance with applicable regulations.

Consistent with the original WFA and standard practice since its signing, individual projects undertaken by Water Forum members or the Water Forum itself will conduct all necessary

project- or program-specific environmental compliance documentation and consultation, as well as any required project-specific mitigation, in compliance with applicable laws and regulations.

5. Work in a manner that acknowledges changes in the nature and magnitude of human and societal effects on the natural resources of the LAR.

The Water Forum does not work in a vacuum. While our work can be highly technical and often focused on implementation, there are practical realities of working on an urban river corridor that is also designated as a federal and state Wild and Scenic River. Acknowledging the tension that exists between the river's ecological importance as a habitat for corridor species and human use of the Parkway as a recreational amenity and for other purposes is important.

The Water Forum is aware of and will continue to work to understand what challenges our members and partners face in addressing broader issues related to illegal camping¹⁹, fire risk, waste management, safety, pollution, and other human dimensions of resource management on the Parkway, within the policy guidance and framework of the County of Sacramento, as landowner and manager of the Parkway.

Program Elements

The ARCH Program has grown in scope and size since the signing of the first WFA, new entities are involved in WF2050, and resource discussions and planning are more complex due to continued growth, changes in the nature and magnitude of human usage of the Parkway, and pressure exerted by the accelerated effects of climate change on resources addressed by our coequal objectives. Thus, additional implementation considerations and processes will be considered for the term of WF2050, as described below.

1. Water Forum ARCH Program Planning Matrix (Appendix 5)

The Water Forum's work in support of a healthy river corridor is ongoing and can be easily scaled to accommodate available funding sources, the capacity for work on the Parkway and within the region, and to meet existing and emerging decision-support needs for river operations. Maintaining a list of ongoing and potential projects and broader potential program areas that may address emerging issues, that are at varying levels of feasibility (ranging from concepts/ideas for the future to shovel-ready designs), allows the organization to seize funding and coordination opportunities as they arise and respond to changing resource conditions and guidance.

Building on past experience and success, a robust program of developing and conveying information to inform river operations decision support and planning, analysis, design, implementation, and monitoring of projects will support continued improvements, maintenance, scientific understanding, and coproduction of data associated with the health of the river

¹⁹Lack of affordable housing and legal shelter space both contribute to illegal camping on the parkway, along with other factors.

corridor and its resources. Outreach and education associated with habitat, decision support, and science and monitoring activities will also continue to be an important element of the ARCH Program.

See **Appendix 5: ARCH Program Planning Matrix** for a “living” list of habitat, science/monitoring, decision support, outreach, and ongoing educational activities, or under consideration, in support of the coequal objectives during the WF2050 term. The Matrix is utilized for annual and long-term work planning and is current at the time of WF2050 signing; however, it is expected to be a living document.

2. Engagement, External Communications, and Advocacy

To support continued advocacy and member engagement after WF2050 is signed, a framework or process will be developed to provide members with the necessary information regarding the ARCH Program (i.e., upcoming projects, priority partnerships) for use in external communications and advocacy. This could include program- or project-level talking points or briefings planned on a seasonal or annual basis for Water Forum-led initiatives. There are a range of venues available for Water Forum collaboration with local, state, and federal partners.

Program Area 3: Regional Water Supply Sustainability

The Regional Water Supply Sustainability (WSS) Program Area includes five areas of focus for Water Forum activities and commitments:

- Surface Water Management
- Groundwater Management
- Demand Management
- Dry-Time Actions
- Land Use Decisions

Additionally, the WSS Program Area includes a description of regional projects designed to support the coequal objectives and advance the principles of the Program Area.

SURFACE WATER MANAGEMENT

Regional demands for surface water are expected to increase under future conditions due to projected regional growth and the availability of ample regional surface water entitlements. However, the uncertainty in surface water availability due to climate change and the associated changes in hydrology must be carefully weighed when planning to support the Water Forum's coequal objectives under future conditions.

Folsom Reservoir is projected to be at critically low levels more frequently due to the loss of snowpack and earlier inflows to the reservoir, as well as the challenges these conditions will present for current operational practices. These changes will threaten the regional municipal and industrial (M&I) intakes and produce lower flows on the lower American River. Analyses of climate change impacts on river temperatures relative to the needs of fish show that, without action, the survival of salmonid populations will be severely threatened. The region will need to examine new approaches related to surface water management on the American River to protect regional water supply reliability and to maintain a salmonid population under climate change.

Conditions on the LAR are largely governed by the operations of Folsom Reservoir, managed by Reclamation, as it responds to demands within the broader CVP. Over the past 10 years (2014-2023), regional M&I diversions from the American River have accounted for an average of approximately 11% of the annual unimpaired inflow to Folsom Reservoir. This ratio can vary significantly depending on the hydrology of the given year; in wet years, regional demands are relatively less significant compared to the total runoff, and in dry years, they account for a greater proportion.

There is considerable diversity among the regional water purveyors in terms of supply portfolios, locations of diversions, types of entitlements, and amount of growth projected, as summarized in **Table 1**. This diversity presents a variety of opportunities to support the coequal objectives through surface water management. Additionally, each purveyor has unique constraints that may limit their flexibility regarding surface water diversions.

Table 1. Water Forum Purveyor Water Production (2014-23)

Purveyor	Water Production ¹ 2014-23 Average (AFY)		
	SW	GW	Total
El Dorado Irrigation District	31,930	0	31,930
Placer County Water Agency	26,680	80	26,760
City of Folsom	18,200 ²	0	18,200
City of Roseville	28,000	220	28,220
San Juan Water District — Consotrium ³	32,960	4,240	37,200
<i>San Juan Water District - Retail</i>	<i>11,460</i>	<i>0</i>	<i>11,460</i>
<i>Citrus Heights Water District</i>	<i>9,720</i>	<i>1,720</i>	<i>11,440</i>
<i>Fair Oaks Water District</i>	<i>6,900</i>	<i>2,520</i>	<i>9,420</i>
<i>Folsom (Ashland)</i>	<i>1,100</i>	<i>0</i>	<i>1,100</i>
<i>Orange Vale Water Company</i>	<i>3,780</i>	<i>0</i>	<i>3,780</i>
Golden State Water Company	5,470	5,050	10,520
Carmichael Water District	4,780	3,470	8,250
City of Sacramento	68,460	21,200	89,660
Sacramento Suburban Water District	8,020	22,530	30,550
California-American Water Company	2,610	24,580	27,190
Sacramento County Water Agency	15,080	22,470	37,550
Totals	242,190	103,840	346,030
1. Production data as collected and distributed by the Regional Water Authority includes treated retail water used within each respective service area. 2. Includes non-potable water deliveries to Willow Hill Reservoir. 3. Includes areas served by the San Juan Water District, which provides retail and wholesale supplies. Values shown reflect the sum volumes for San Juan retail, Citrus Heights, Fair Oaks, Ashland (Folsom), and Orange Vale.			

WF2050 establishes principles for surface water management implemented through the elements of the agreement, including commitments contained in Purveyor Specific Agreements (PSAs).

Guiding Principles

Water Forum activities related to surface water management will support Water Forum's coequal objectives by aligning with the guiding principles below. Notably, there are other principles specific to certain agreement topics (e.g., demand management) that are relevant to surface water diversions but are stated within their respective areas of focus. In addition, it is acknowledged that there is an inherent tension between the coequal objectives, and when considered in isolation, they can be interpreted as being in conflict. The Water Forum aims to prioritize its objectives equally, recognizing the need to manage our water resources holistically.

1. Prioritize alternative supplies to supplement surface water from the American River system during dry conditions, providing flow and water quality²⁰ benefits for the LAR.
 - a. Pursue opportunities for increased groundwater pumping to allow surface water to remain in the LAR.
 - b. Pursue opportunities for increased diversions from the Sacramento River as an alternative to surface water from the American River system.
2. Ensure that surface water commitments are balanced with regional efforts to achieve groundwater sustainability.
 - a. Prioritize surface water diversions in wet conditions to allow groundwater recharge.

Program Elements

1. Purveyor Specific Agreements

Within water Purveyor Specific Agreements (PSAs), individual commitments are articulated based on the Unimpaired Inflow to Folsom Reservoir (UIFR) as an annual metric of hydrologic conditions within the American River watershed. A UIFR of 400 thousand acre feet (TAF) or lower will define the driest conditions. A UIFR between 950 and 400 TAF will define the drier conditions. A UIFR between 950 TAF and 1,600 TAF will be considered normal conditions. And, a UIFR of 1,600 TAF or greater will be considered to reflect wet conditions. While 1,600 TAF is not considered a formal definition of what constitutes a "wet year" or "wet conditions" on the American River, it was utilized in the original Water Forum agreement as a basis for surface water commitments. It is expected that additional analysis and discussions will be conducted as part of ARCAP to explore and define other potential criteria that could guide regional operations in wet conditions.

Purveyor commitments were developed based on the surface water guiding principles and the unique opportunities for each purveyor. An important feature of the commitments, particularly for diverters of American River water, includes the establishment of the projected future level of diversions that would be expected to occur in normal conditions. This projected future level of diversion forms the basis for commitments in drier-than-normal hydrologic conditions.

2. Engagement with Reclamation

The influences of Reclamation's operations on the coequal objectives are much greater than the influences of regional surface water diversions, particularly related to the health of the river. The Water Forum will continue to engage with Reclamation to support the coequal objectives. Details related to the Water Forum's strategy for engagement with Reclamation are included in **Appendix 3**.

3. Regional Projects and Programs

Regional projects and programs described below have been identified as aligning with the coequal objectives and supporting the WF2050 surface water principles and elements. These projects have conceptual endorsement from the Water Forum (see Governance, Funding, and Administration, page 114), and are at varying levels of development and analysis. It is expected that these projects will continue to be discussed and assessed within the Water Forum to better understand the potential benefits and impacts.

RiverArc

The RiverArc project emerged from the 2000 Water Forum Agreement negotiations and was envisioned as a means to protect the river, its flows, and habitat from growing threats while also supporting water supply needs for planned regional development. Planning for the RiverArc Project has continued to evolve over the last 25-years but the concept has remained the same: to strategically shift existing water supply diversions from the American River to the much larger Sacramento River without adversely affecting other water users. RiverArc is seen as an adaptive management strategy that provides a foundational, regional approach to addressing the growing impacts of climate change in the American River watershed and supports the coequal objectives.

RiverArc design includes construction of water treatment and transmission facilities to deliver Sacramento River water supplies to the region upon implementation. The facilities are planned to include the utilization of an existing raw water intake on the Sacramento River that is fitted with state-of-the-art screens to protect fish, a raw water booster pump station, a pipeline to deliver raw water for treatment, a water treatment plant, and two treated water delivery pipelines, one to western Placer County and one to northern Sacramento County.

The RiverArc Partners, which currently include Placer County Water Agency, the City of Sacramento, the City of Roseville, and Sacramento County Water Agency, are currently working through the environmental analysis and technical studies required for the preparation of an Environmental Impact Report and Environmental Impact Statement. The RiverArc Partners anticipate presenting a public draft Environmental Impact Report in 2026. This planning work has been funded by a \$5.1 million California Wildlife Conservation Board Streamflow Enhancement grant, demonstrating the importance of RiverArc's anticipated benefits to California.

Sacramento Regional Water Bank:

The Sacramento Regional Water Bank (Water Bank) is a project being developed by approximately 20 local water purveyors through the Regional Water Authority (RWA). The goal of the Water Bank is to expand conjunctive use, thereby increasing water banking operations throughout the region to: (1) Improve long-term regional reliability and provide statewide water supply opportunities when possible; and (2) Support healthy ecosystem function on the lower American River.

The Water Bank objectives are to:

- Increase groundwater recharge during wet conditions using available surface and recycled water supplies.
- Reduce reliance on surface water during dry conditions by using previously banked groundwater.
- Contribute to healthy ecosystem function, including on the lower American River
- Contribute to water reliability of water agencies in the region with no or limited access to groundwater.
- Maintain the quality of surface water and groundwater.
- Contribute to CVP operational flexibility by reducing reliance on Folsom Reservoir during dry conditions.
- Consider and advance mutually beneficial opportunities to partner with entities outside the region on operational collaboration and/or investment in the Water Bank.
- Generate revenue for investment in infrastructure and other projects/programs to improve regional water supply reliability, resiliency, and affordability for participating agencies.
- Generate revenue (through water transfers and exchanges) to reduce financial barriers to conjunctive use for participating agencies.

The Water Bank consists of a system of groundwater wells, pumps and pipelines that allow local water agencies to fill and then pump out water reserves stored underground to primarily serve local water needs. It is anticipated that up to 65,000 acre-feet per year of water can be recharged (or stored) by local water agencies during wet periods of and up to 55,000 acre-feet per year of water can be extracted by the same agencies during dry periods. Environmental documentation for the Water Bank is anticipated to be completed by the end of 2026, and the project will be implemented at that time.

Ongoing conversations within the Water Forum are expected to include details related to groundwater recharge during wet conditions and reduced reliance on surface water during dry conditions. These conversations are likely to occur within the ARCAP working group.

Caveats and Assurances

1. *The ability for any individual purveyor to implement the surface water diversions principles will depend on their respective opportunities and constraints.*
2. *On a five-year cycle, purveyor signatories will coordinate with the Water Forum staff to provide data and assumptions to be reported in their Urban Water Management Plans (UWMPs), including demand projections, current and planned supplies, and drought planning scenarios. Water Forum staff will compile regional data and assumptions for presentation to the Water Forum membership for review and discussion.*
3. *Nothing in the agreement is intended to call for the reduction or forfeiture of existing surface water entitlements. Signatories to the agreement will honor this principle in state and federal entitlement proceedings directly related to WF2050. It is recognized that there may be broader state and federal entitlement proceedings where signatories may have different interests, such as the SWRCB water rights proceeding for the Bay-Delta. Signatories agree to work in good faith through the Water Forum with the objective of developing a consensus recommendation for how state and federal entitlement proceedings should affect those agencies that store and divert American River water. All signatories will make good faith efforts to ensure that recommendations are consistent with both coequal objectives.*
 - a. *The LAR is considered to be fully appropriated by way of the existing declarations of full appropriations, the responsibilities of the California Wild & Scenic Rivers Act, and the realities of the National Wild & Scenic Rivers Act. For more detailed information, see **Appendix 6**. The Water Forum will not be pursuing amendments to the existing declaration of full appropriation.*
4. *Recognizing that the majority of LAR surface water supply originates in the Upper American River Watershed, signatories support efforts above Folsom Reservoir to enhance and restore watershed health, creating a resilient headwater for water supply and ecosystem benefits on the American River.*
5. *The Water Forum did not evaluate new reservoirs in the analyses used to inform the WF2050 negotiations. Notwithstanding any provision of this agreement, any proposal for the Water Forum to support or oppose a new reservoir shall be approved by the Plenary, with at least 30-day notice to each Water Forum representative.*
6. *Signatories acknowledge that the parties to the Healthy Rivers and Landscape (HR&L) Proposal will be obligated to meet tributary program requirements for the American River, if approved by State Water Resources Control Board along with associated agreements. In addition, there are Water Forum members who have also made flow commitments*

pursuant the American River Terms for Ecosystem Support and Infrastructure Assistance Needs (ARTESIAN) Agreement²¹.

7. *Signatories are encouraged when invited to support (where possible) purveyors' rates and fees necessary to implement projects and programs insofar as they are consistent with the WF2050 guiding principles and in support of the coequal objectives. The Water Forum will provide learning and engagement opportunities on water affordability and related best practices, and signatories will work to better understand associated challenges and opportunities (see Governance Program Element– Community Outreach and Engagement for more information).*

GROUNDWATER MANAGEMENT

The region's water providers are expected to continue expanding their reliance on groundwater due to climate change, the potential for groundwater to serve as a backup supply during increasingly dry conditions, and projected regional growth and economic considerations. Water providers and groundwater management agencies have made significant investments in protecting the quality and quantity of groundwater to protect the viability of this local water supply and to comply with State regulations. Local water providers have expended intense effort to demonstrate that local groundwater subbasins will comply with SGMA. SGMA will continue to require local management actions and reporting.

Historically, most local water systems were either supplied by surface or groundwater, but not both. Over time, some of the previously surface-water-fed systems have added groundwater to their supply mixes to increase resilience. Many of the traditionally groundwater-supplied systems have added surface water supplies to either replace contaminated groundwater or to replenish their groundwater aquifer through in-lieu recharge. The use of direct groundwater recharge (also known as injection) is a relatively recent addition to local management actions and is relatively rare in the region. "Conjunctive use," "groundwater banking," and "aquifer storage and recovery" are terms used to describe efforts to manage both surface and groundwater supplies in a manner that complements each other. **Table 1** (presented above in the Surface Water Management Section) lists local water providers and their recent mix of surface and groundwater supplies.

WF2050 intends to establish agreed-upon principles to leverage and enhance the collective resources of its signatories to support the coequal objectives and groundwater sustainability while avoiding duplication of effort.

²¹ The ARTESIAN Agreement contains commitments for certain RWA members to obtain funding to complete groundwater infrastructure projects and provide contributions to environmental outflow with or without adoption of the HR&L. The ARTESIAN Agreement governs the rights and obligations with respect to the administration of state funding provided for in the Funding Agreement Between the State of California (Department of Water Resources) and the Regional Water Authority - Voluntary Agreement Early Implementation for the American River, executed on July 21, 2023.

Guiding Principles

Water Forum activities related to groundwater management will support the coequal objectives by aligning with the guiding principles below.

1. Recognizing that the regional GSAs have primary responsibility for managing regional subbasins, the Water Forum will facilitate coordination and collaboration while avoiding duplicative efforts.
 - a. Facilitate dialogue and the exchange of information between Water Forum signatories and groundwater managers to increase the understanding of groundwater conditions and trends, support inter-basin coordination, and promote effective regional groundwater management.
 - b. Promote and facilitate the application of the latest scientific and data-driven insights in groundwater evaluations and planning.
2. Support conjunctive management of regional groundwater basins with surface water supplies to enhance water supply reliability and provide flow and water quality²² benefits to the LAR.
 - a. Prioritize groundwater use in dry conditions to allow surface water to remain in the LAR.
 - b. Facilitate increased surface water diversions during wet periods to support groundwater recharge, in a manner that protects the river system.

Program Elements

1. Regional Coordination and Information Sharing

The Water Forum will work cooperatively with regional groundwater management organizations²³ to inform Water Forum members about groundwater conditions and trends, including GSP implementation and Sacramento Regional Water Bank operations. Activities and products to include:

1. An annual meeting on groundwater conditions and GSP implementation status.
2. Key groundwater indicators and data are synthesized and displayed on the Water Forum webpage for quick access to current conditions and project status. This feature will provide a comprehensive overview of regional groundwater conditions, incorporating information from the regional groundwater subbasins and the Sacramento Regional Water Bank. This information has value not only to Water Forum members but also to the public, including regional decision makers, land-use agencies, and policy analysts.
Information to include:

²² Including temperature, DO, and other characteristics.

²³ GSA, water banking participants, and other organizations who use groundwater.

- a. Subbasin groundwater condition mapping with water quality and water level monitoring information.
- b. A list of groundwater management actions planned by GSAs and their respective status.
- c. Annual volumes of water stored, extracted, and transferred as reported by the Sacramento Regional Water Bank.

The Water Forum will coordinate with regional groundwater organizations to facilitate collaboration on efforts when there is alignment in planning and implementation activities.

Water Forum activities will include:

1. Sharing data and information (climate change, water demand, or otherwise) with regional groundwater management organizations when there is alignment in planning and implementation needs.
2. Maintaining open dialogues between Water Forum staff and consultants and groundwater management organizations to seek opportunities to provide ecosystem benefits through groundwater management actions.

2. Support Actions: Technical, Facilitation, and Public Engagement

The Water Forum has a long history of successfully helping local groundwater managers²⁴. Upon request from groundwater management organizations and with the approval of the Water Forum Plenary, the Water Forum will assist local groundwater management organizations. Examples of possible Water Forum support actions are listed and described below.

Technical: Gathering or interpreting data or conducting analyses (e.g., performing CALSIM runs to validate GSP modeling).

Facilitation: Structuring and holding conversations within and between GSAs and other interested parties. For example, in 2020, the Water Forum convened negotiations with the Sacramento Central Groundwater Authority and other local entities to determine the structure and funding of the South American Subbasin GSP.

Public Engagement: Sharing the status of our region's groundwater management efforts with key audiences (e.g., tailored communications for Water Forum signatories who desire a region-wide perspective; public support to groundwater managers for grant requests).

3. Purveyor Specific Agreements

Within the PSAs and the conditions outlined within the surface water management program element, each of the purveyors has outlined opportunities to implement the groundwater

²⁴ One of the most recent examples was Water Forum staff and consultant technical and facilitation support for the Cosumnes Subbasin during the preparation of their GSP in 2018.

management guiding principles. These opportunities include descriptions of in-lieu recharge activities and direct recharge, among other opportunities.

Caveats and Assurance

- 1. The Water Forum will work to understand better and communicate the opportunities for, and impacts of, increased surface water diversions in wet conditions.*
- 2. Signatories acknowledge the importance of continued data collection and analysis to improve understanding of Groundwater Dependent Ecosystems (GDEs) and surface water–groundwater interactions and commit to ongoing dialogue within the Water Forum as these topics are explored in the context of SGMA requirements and ARCAP analyses (as relevant).*

DEMAND MANAGEMENT

Demand management refers to a range of actions aimed at managing the consumptive use of water, including improvements in water use efficiency and efforts to ensure that demand does not exceed available supplies. These actions can be deployed at the regional, purveyor, and household levels. As the region prepares for continued growth and the impacts of climate change, demand management is a valuable tool in our regional toolbox to reduce surface water diversions from the American River (which has the potential to improve reservoir storage, cold water pool, and river flows) and to reduce demands (which improves regional water supply reliability, including groundwater sustainability and climate resilience).

Climate change in the American River watershed is expected to cause greater volatility in surface water availability between hydrologic year types. To partially address this increasing uncertainty in the availability of surface water supplies, particularly in dry and critical conditions, reduced surface water reliability will be offset (in part) by increased groundwater production and demand management. Demand management can contribute to improved water supply reliability while leaving more water to support the health of the river. Moreover, reuse, grey water, and water recycling can reduce the need for surface water diversions. Such measures have already been implemented at varying scales within the region, with expected expansion in the future.

Continued engagement and coordination with Reclamation (as the owner and operator of Folsom Dam) will be critical to increase the likelihood that regional demand management and other related actions will result in targeted improvements to the health of the LAR.

It is important to note that water providers in California have more stringent state requirements for water conservation than existed 20 years ago, which bring greater operational and financial obligations. The new regulatory framework adopted by the SWRCB in 2024 (Making Conservation a California Way of Life) establishes agency-specific water use objectives for urban water purveyors in California, which will have varying impacts on regional purveyors. WF2050 incorporates these new requirements.

Guiding Principles

Water Forum activities related to demand management will support the Water Forum's coequal objectives by aligning with the guiding principles below:

1. Support appropriate and reasonable demand management actions that help purveyors meet their regulated water use objectives, including actions that can improve water supply reliability and provide ecosystem benefits in the LAR, while also supporting regional groundwater sustainability.
2. Facilitate dialogue and the exchange of information between Water Forum signatories to promote awareness and understanding of regional water use trends and standards.
3. Seek ongoing opportunities for engagement, coordination, and agreements to promote the use of conserved water to support the coequal objectives.
4. Support actions that contribute to tree canopy health and avoid actions that exacerbate urban heat island effects.
5. Promote access to water necessary to support living landscapes across all socio-economic conditions and encourage low-water use and the use of native vegetation.

Program Elements

To implement the Demand Management principles listed above in support of the coequal objectives, the Water Forum will commit to the programs, actions, and activities below.

1. Regional Coordination and Information Sharing

Water Forum members commit to ongoing communication and collaboration on the implementation of demand management. The various mechanisms and venues where this communication and collaboration will occur are provided below.

Water Forum staff will obtain information regarding regional demand management that Water Caucus members have annually reported to the State and will synthesize the data to provide a regional overview of the status of implementation and water use trends. This information will be shared with Water Forum members in various venues and formats, as described below. Water use information shared with the Water Forum members will be built on existing reporting requirements.

- Water Forum will convene an annual meeting for Water Forum members focused on demand management and regional water use trends. Topics include regional water use trends (based on purveyor production data), the status of implementing demand management actions identified in agency PSAs and reported to the SWRCB, and the hydrologic outlook for the current year, with implications for regional water supplies and river needs. Optionally convene an additional meeting, as needed.
- Post progress towards meeting state-mandated water use objectives on the Water Forum webpage for quick access. Provide a "one-stop shop" for regional demand management progress, incorporating information from purveyors, DWR, and SWRCB.

- Provide updates on purveyors' approaches to meeting state-mandated objectives²⁵, including information on the relative effectiveness of various actions and programs (as available).
 - Purveyors and Water Forum staff will collaborate to consider opportunities for quantifying and tracking water conserved through ARCAP or other mechanisms.
- Purveyors intend to provide Water Forum members with a 30-day review period for their respective Draft UWMPs before the plans are adopted. This 30-day review period is expected to be built into the other required public review cycles and is not intended to be additive.
- Maintain open dialogues between Water Forum staff, members, and RWA to seek opportunities to support LAR health through demand management actions.²⁶
- Host a semi-annual meeting with interested Water Forum members, RWA staff, and agency water conservation staff to review and discuss current and planned regional efforts related to demand management. Water Forum members will have the opportunity to provide input on regional strategies and messaging for consideration by the agency's water conservation staff.

2. Implementation of Priority Demand Management Actions

Each Water Forum purveyor has developed and will continue to refine its portfolio of demand management actions to meet regulatory requirements. In choosing the timing and level of effort for potential actions, purveyors consider their opportunities and constraints to weigh potential effectiveness.

The Water Forum has compiled a non-exhaustive list of demand management actions that have the potential to benefit LAR health and support water supply reliability, and these actions are summarized in **Appendix 8**. Implementation of the actions will help support the coequal objectives.

- Water purveyors will consider implementing the demand management actions listed in **Appendix 8**.²⁷

²⁵ State mandated objectives (including outdoor water use) broadly become more restrictive over time and relevant updates and information will be presented across the urban water use categories.

²⁶ RWA implements their Water Efficiency Program (WEP) as a regional program which was created to help water providers in the greater Sacramento region work together to help their customers use water efficiently and meet relevant water use efficiency regulations and requirements. WEP activities have included public outreach campaigns, rebate programs, school education and research studies. In addition, RWA's WEP has been highly effective in attracting grant funding to increase water efficiency in the region and has secured \$15 million in funding since the start of the program in 2003.

²⁷ As noted in Element 1 (Regional Coordination and Information Sharing), Water Forum's annual reporting on demand management information will include a summary of actions and measures implemented within the region, along with progress towards meeting mandated water use objectives.

- The Water Forum, through its decision process, may modify the list of demand management actions as information on their effectiveness becomes available.

3. Purveyor Specific Agreements

All purveyors are committed to adhering to the relevant conservation and water use efficiency regulations. At the time of signing, key requirements are associated with the 2024 “Making Conservation a California Way of Life” regulations, Assembly Bill (AB) 1572 related to irrigation of non-functional turf with potable water, and the Model Water Efficient Landscape Ordinance (MWELO) which encourages low-water use and native landscaping for new development.

Within each PSA, purveyors will outline their anticipated approach to comply with water conservation regulations, including opportunities to improve landscape irrigation, install native and low-water-use vegetation, or take other actions that are identified as meeting agencies’ specific needs. The descriptions include current programs as well as the approach to future conservation. These projections will be understood by signatories to be preliminary in nature and subject to change and are included to provide a reference point as water use trends and practices evolve over the life of WF2050.

4. Engagement with Reclamation

Water Forum strategies and mechanisms for coordination with Reclamation are expected to shift over time as circumstances and opportunities evolve and climate change alters our regional hydrology, presenting new and potentially unforeseen challenges.

Demand management actions have the potential to increase the flexibility of the CVP system if they result in reduced diversions, particularly during drier periods. Reclamation has acknowledged this potential connection and the value of demand reduction during these times. As part of its ongoing work with Reclamation²⁸, the Water Forum will promote the benefits of regional demand management actions to influence operations and agreements that are favorable to the coequal objectives.

Over time, this coordination could seek potential agreements with Reclamation that acknowledge the quantities of conserved water and provide stronger dry-year protections than currently exist with the end-of-year planning minimum. Future agreements should also include provisions to protect purveyor water rights and to emphasize the role the Water Forum has played in decisions concerning Folsom Reservoir storage and releases.

²⁸ The Water Forum’s ongoing work with Reclamation is expected to include implementing and improving the Flow Management Standard; developing various agreements with Reclamation; and providing real-time operational guidance.

Caveats and Assurances

1. *All signatories acknowledge that the requirements related to water purveyors' water use efficiency and demand management have become increasingly stringent since the signing of the original WFA and are continuing to evolve.*
2. *All signatories acknowledge that the purveyors must consider the costs and benefits of demand management actions (monetary, ecosystem, quality of life, etc.).*
3. *All signatories acknowledge that water rates have impacts on affordability and equity.*
4. *All signatories recognize that conserving water provides multiple benefits (if properly targeted, implemented, and managed) and commit to implementing demand management actions in a manner that strives to support both coequal objectives, with considerations for improvements to landscape irrigation efficiency and installation of native and low-water-use vegetation.*

DRY-TIME ACTIONS

Balancing the coequal objectives has proven challenging in all years on the LAR, particularly in relation to river temperatures, for which seasonal targets are exceeded in nearly all years. During dry conditions, these challenges become exacerbated, as providing a reliable regional water supply and protecting the health of the LAR may come into conflict, particularly when water supplies become more constrained. The frequency and severity of dry conditions are expected to increase in the future, multi-year droughts are expected to occur more frequently, and dry years are expected to be drier. Careful planning in anticipation of, and diligent coordination and strategy during, dry conditions will be required to ensure that both coequal objectives are supported. “Dry-Time Actions” are the actions provided below that are designed to be taken during dry conditions. Planning and preparation for dry conditions, as well as opportunities to build resilience in wetter times, are also important and are discussed in other sections of this document.

It is essential to acknowledge that Reclamation, as the owner of Folsom Dam and Reservoir, which it operates as part of the statewide CVP, plays a crucial role in the ability of any regional actions to reliably support the Water Forum’s coequal objectives. As such, the Water Forum’s ongoing engagement with Reclamation is always important, but crucial in dry times.

Other topics related to dry times discussed by the working groups have included specific principles and elements related to regional commitments in dry conditions (surface water, groundwater, and demand management). The guiding principles and elements below include additional language that is helpful for commitments specific to dry times.

Guiding Principles

1. Prioritize alternative supplies²⁹ to surface water from the American River system in dry conditions to support LAR health.
2. Work collaboratively to develop consistent messages and strategies for engagement with Reclamation and the State in dry conditions.
3. Strive for consistent regional messaging to the public on water conservation and best practices during dry conditions.
4. Convene interested parties to conference about balancing coequal objectives during defined dry times.

Program Elements

1. Purveyor Commitments for Managing Surface Water Diversions

The PSAs include an important program element for implementing Dry Time Actions, which is shared with the Surface Water Management area of focus. As stated in the Surface Water Management program element, the PSAs include specific commitments based on the UIFR (summarized in Table 2).

²⁹ Alternative supplies to the American River surface water could include groundwater, Sacramento River water, as well as reservoir reoperation transfers that would release water from storage upstream of Folsom Reservoir, and other supplies that would make additional water available to support conditions on the LAR.

Table 2. WF2050 Description of Operations

Agency	Normal Conditions (UIFR > 950 TAF)	Drier Conditions (950 >UIFR >400 TAF)	Driest Conditions (UIFR < 400 TAF)
El Dorado Irrigation District	• Use American River supplies to meet up to 50% of its forecasted 5-year total potable demand • Potentially provide transfer water for conjunctive use to improve groundwater conditions	• Implement the conservation measures required by its adopted Drought Action Plan • Limit use of American River supplies to meet up to 70% of forecasted 5-year total potable demand • Potentially provide transfer water for conjunctive use to improve groundwater conditions	• Implement the conservation measures required by its adopted Drought Action Plan • Limit use of American River supplies to meet up to 75% of forecasted 5-year total potable demand • Potentially provide transfer water for conjunctive use to improve groundwater conditions
Placer County Water Agency	• 155,000 AFY (total of water rights permits and CVP contract)	• 155,000 AFY from the American River • Replace up to 47,000 AFY (27,000 AFY for PCWA and 20,000 AFY for City of Roseville) of water through reoperation of Middle Fork Project reservoirs	• Conference with stakeholders on how available water should be managed • Likely reduction in deliveries (50% reduction in irrigation water, 20% reduction in treated water)
City of Folsom	• Current 5-year UWMP projections will serve as the basis of diversions	• Reduce surface water diversions up to 10 percent or as required by the City's Water Shortage Contingency Plan, whichever is greatest	• Reduce surface water diversions up to 20 percent, as required by the City's Water Shortage Contingency Plan, or as required by any mandates issued by the State of California, whichever is greatest
City of Roseville	• Diversions would be defined by the most recent UWMP's 5-year projected demand	• Diversions would decrease linearly from normal levels to the driest conditions	• Reduce surface water diversions from normal diversions by 20%

Agency	Normal Conditions (UIFR > 950 TAF)	Drier Conditions (950 >UIFR >400 TAF)	Driest Conditions (UIFR < 400 TAF)
SJWD Consortium	SJWD will divert and the SJWD Consortium will use 38,603 AF within the current SJWD wholesale service area	- SJWD will divert and the SJWD Consortium will use a decreasing amount of surface water from 38,603 AF to 30,882 AF within the current SJWD wholesale service area - SJWD Consortium will reduce its surface water demand by additional conservation (up to 20% or as required by the Districts' Water Shortage Contingency Plans) and use of groundwater	- SJWD will reduce its diversion to 30,882 AF for use within the current SJWD wholesale service area - SJWD Consortium will reduce its surface water demand by additional conservation (up to 20% or as required by the Districts' Water Shortage Contingency Plans) and use of groundwater
Sacramento Municipal Utility District	Entitlements total 30,000 AFY, though the maximum diverted in the last 10-years is around 6,100 AFY (2013)	- Cosumnes Power Plant (CPP) will need to operate during drier years to meet critical local and regional electrical demands. - Need to operate the CPP could increase in drier years due to dry year reductions in hydroelectric supply or potentially higher temperatures leading to increased use of air conditioning	- CPP will need to operate during driest years to meet critical local and regional electrical demands - Need to operate the CPP could increase in driest years due to dry year reductions in hydroelectric supply or potentially higher temperatures leading to increased use of air conditioning
Golden State Water Company	Continue to use its pre-1914 appropriative right from the South Fork of the American River	Coordinate with City of Folsom and Reclamation for pre-1914 appropriative surface water rights	Coordinate with City of Folsom and Reclamation for pre-1914 appropriative surface water rights

Agency	Normal Conditions (UIFR > 950 TAF)	Drier Conditions (950 >UIFR >400 TAF)	Driest Conditions (UIFR < 400 TAF)
Carmichael Water District	Future diversions from the American River may increase during normal and wet years by 1,500 to 3,000 AFY for storage into the groundwater basin	- Implement water conservation measures to reduce demand by 10% or as required by the District's Water Shortage Contingency Plan - Where possible, prioritize groundwater use to ensure sufficient flows in the lower American River	- Implement water conservation measures to reduce demand by 10 – 20% or as required by the District's Water Shortage Contingency Plan - Comply with State Water Resources Control Board's water rights orders for diversion limitations or curtailments - Where possible, prioritize groundwater use to ensure sufficient flows in the lower American River
City of Sacramento	- Diversion up to 200 MGD so long as the flow bypassing the diversion at the Fairbairn Water Treatment Plant (FWTP) is greater than the Hodge Flow Criteria, otherwise diversions will conform with Hodge Flow Criteria and corresponding diversion rates - City water diverted at FWTP in drier conditions in accordance with the foregoing limitations could be used anywhere within the City's authorized POU as it exists now and in the future	- Diversion up to 200 MGD so long as the flow bypassing the diversion at the FWTP is greater than the Hodge Flow Criteria, otherwise diversions will conform with Hodge Flow Criteria and corresponding diversion rates - City water diverted at FWTP in drier conditions in accordance with the foregoing limitations could be used anywhere within the City's authorized POU as it exists now and in the future	Diversions at FWTP to be no greater than 155 cfs and not greater than 50,000 AFY

Agency	Normal Conditions (UIFR > 950 TAF)	Drier Conditions (950 >UIFR >400 TAF)	Driest Conditions (UIFR < 400 TAF)
Sacramento Suburban Water District	Utilize contracts with neighboring agencies (currently City of Sacramento, and PCWA) to access surface water and allow groundwater to replenish	Use groundwater to meet customer demands in a discretionary fashion to support regional conjunctive use goals, operational levels of service, and the Water Forum coequal objectives	Use groundwater to meet customer demands in a discretionary fashion to support regional conjunctive use goals, operational levels of service, and the Water Forum coequal objectives
California American Water	Use surface water as it is available through purchase water agreements with the City of Sacramento, PCWA, SCWA, and SSWD	Use groundwater to meet customer demands in a discretionary fashion to support regional conjunctive use goals, operational levels of service, and the WF coequal objectives	Use groundwater to meet customer demands in a discretionary fashion to support regional conjunctive use goals, operational levels of service, and the WF coequal objectives
East Bay Municipal Utility District	- Diversions are from the Sacramento River - Proposals do not include specific diversions based on defined hydrologic conditions - Proposals articulate contributions to the coequal objectives beyond American River diversions		
Sacramento County Water Agency			

2. Cross-Caucus and Internal Coordination

Cross-Caucus and Internal Coordination is a key program element within the American River Flows and Operations (ARFO) Program Area. The description of the topics and activities focuses on the implementation of the FMS. To ensure common understanding and general awareness of the hydrologic outlook, as well as the implications for related WF2050 commitments, updates on the current UFR projections will be included in the Cross-Caucus meetings.

3. Engagement with Reclamation

Engagement with Reclamation is understood to be critical to the success of the WF2050 agreement and is described in several areas of focus (as it relates to the specific activities). A broader description is provided in **Appendix 3**.

In dry conditions, Water Forum members will enhance internal coordination to develop specific and consistent messages for engagement with Reclamation to: ensure implementation of the FMS, promote the benefits of the Water Forum dry-time actions, and the value of leveraging Water Forum commitments to support the coequal objectives.

4. Regional Conferences in Dry Times

Water Forum signatories acknowledge that during certain dry times, there may be insufficient water to support Water Forum's coequal objectives, and special provisions will be necessary for water management.

During dry time Regional Conferences, all signatories agree to:

- Meet regularly to confer on managing available water supplies to best serve the coequal objectives.
- Consider actions and strategies (beyond managing water supplies) to address the specific challenges posed by these conditions.
- Develop consistent messaging related to the need for water conservation, encompassing both the coequal objectives (not just individual available supplies). Agreed-upon messaging will be utilized region-wide to promote consistent understanding and awareness of the current situation³⁰.

Regional Conferences can be triggered under the following conditions and circumstances:

- The March-November UFR is less than 750 TAF in any given month, based on the most recent Bulletin-120 (released February-May).
- Folsom Reservoir storage is projected to drop below 200 TAF at any time in the future, according to the 50% forecast.
 - The projection could be either:

³⁰ Agencies will still develop individual messaging for their specific situations and requirements, as necessary.

- Provided by Reclamation
- Made by Water Forum staff or consultants over any future time frame (note: the ability to forecast will dictate the time frame; in other words, with a valid forecast that shows future storage <200 TAF, then Regional Conferences would be triggered)

Other circumstances may also warrant Regional Conferences and are described below. Either of the circumstances described below requires confirmation from the Plenary³¹ before a Regional Conference may be called.

- The Water Forum Cross-Caucus identifies that current dry conditions warrant a Regional Conference.
 - Cross-Caucus discussions on the potential for Regional Conferences will consider real-time conditions, including reservoir storage, river flows, river temperatures, forecasted operations, regional water supplies and infrastructure, state or federal declarations, etc.
- The Water Forum Executive Director, in consultation with the Coordinating Committee, identifies that current dry conditions warrant a Regional Conference.

Caveats and Assurances

1. *Water is essential for public health and sanitation, as well as for economic stability and quality of life. Water agencies have a fundamental responsibility to provide all customers with reliable access to safe, clean drinking water. This fundamental responsibility may constrain the breadth of Water Forum related actions purveyors are able to take during extreme drought.*
2. *Water agencies in California manage water shortages in accordance with their individual Water Shortage Contingency Plans (WSCPs), which are developed and updated every five years as part of their UWMPs, in compliance with California Water Code requirements.*
3. *Signatories acknowledge that dry times present exceptional challenges for the health of the LAR, and actions should be pursued to protect the fish that rely on river flows and temperature.*

LAND USE DECISIONS

Water Forum signatories include several entities with land use planning responsibilities and water purveyors with water planning responsibilities. Water Forum signatories recognize the benefit of coordination between water resources planning and land use decision-making.

³¹ Plenary confirmation for Conferencing can be conducted via a special session, to be scheduled outside the regularly schedule meetings, as needed.

While coordination between water planning agencies and land use decisions is required by State law and regulation, and land use decisions rest solely within the purview of the local authorities, the Water Forum can organize and disseminate regional data that informs the nexus between water supply and land use. To that end, WF2050 aims to outline the Water Forum's role in promoting awareness of the coequal objectives as they relate to land use.

Guiding Principles

The core principles below shape the Water Forum's approach to fostering a regional understanding of water supply-land use considerations, particularly as it relates to supporting the Water Forum's coequal objectives.

1. The Water Forum has a regional vantage point on water use and supply and a connection to the coequal objectives that is not highlighted through existing mechanisms or requirements.
2. Land use authority rests solely within the purview of the appropriate government jurisdiction, and the Water Forum can play an important role by keeping members and others informed of water supply trends by synthesizing data on regional water use and supply. This data is not intended to suggest Water Forum advocacy (for or against) any land-use decisions.
3. The Water Forum recognizes the challenges in any projections given the uncertain and shifting nature of future land use, water supply, and water use trends, and is committed to clearly articulating such limitations.

Approach

Existing California state laws and local procedures are in place to link land-use decisions and water supply. These include:

- Senate Bills (SB) 221 and 610, adopted in 2001 and in place as of January 1, 2002 (e.g., water supply assessments)
- Water supply information requirements are outlined in Chapter 881 of the California Water Code
- California Environmental Quality Act (CEQA) process
- UWMPs (the source for water supply projections)
- GSPs
- "Can and will serve" letters from water purveyors and related requirements that include analyses of impacts of single-year and multiple-year droughts, intended to foster a rigorous and comprehensive analysis of water supply and reliability
- MWELO

The Water Forum recognizes that collating and synthesizing existing data at a regional scale (drawn from the above sources) can contribute to the understanding of the region's cumulative water supply and demand picture among members and others. The WF will rely on UWMPs, Annual Water Supply and Demand Assessments, and GSPs in the region, as well as dry-time actions included in member PSAs and other relevant water supply planning documents, to shape its synthesis of water supply and demand trends. These data sources will include demand and supply projections for the proceeding 20- to 25-year period, to be updated on a five-year cycle.

Additionally, the Water Forum will track longer-term water supply trends to account for changing climate change projections and trends; significant shifts in water or land use; changes in water supply opportunities, etc. This will be done through the ARCAP Framework and work plan (see Appendix 2).

As noted above, the approach is not intended to suggest that the Water Forum will take positions on, or imply support or opposition to, any land use developments. Instead, it is intended to provide members and others with an ongoing understanding of regional trends in both water supply and demand, consistent with the coequal objectives.

Program Elements

1. Region-Wide Supply and Demand Forecast

- The Water Forum will draw on existing data (UWMPs, GSPs, dry-time actions from PSAs, etc.) to compile an ongoing region-wide synthesis of actual and projected water demands and sources (initially through 2050). This timeframe is intended to be consistent with the UWMP planning horizon and not project so far into the future as to be overly speculative. Opportunities for Water Forum review and discussion of draft UWMPs prior to adoption are described in the Demand Management program elements.
- This region-wide synthesis of projected supplies and demands is to be updated on a five-year basis (with a rolling 25-year time horizon) and will highlight differences between actual versus previously projected water demand forecasts. Annual updates would occur when data is available and relevant.
- This region-wide examination will make explicit the underlying assumptions shaping the different data sources, highlighting both common and divergent assumptions, as well as any noteworthy information gaps.
- This region-wide overview is to be shared in an accessible manner (i.e., on the Water Forum website) and included in the 5-year Status Report to inform Water Forum members and others about regional trends in water demand and supply.
- As needed, the Water Forum will provide analyses regarding longer-term (beyond 25 years) water supply trends to inform its understanding of possible longer-term trends and

consequences for the coequal objectives. This work will be done within ARCAP as the program endeavors to understand and prepare for the impacts of climate change.

- The work will be coordinated with and built on efforts and information from other Water Forum processes as relevant (e.g., ARCAP, demand management, etc.) to avoid duplication of effort.
- Following the adoption of WF2050, the Water Forum will convene a working group³² comprising members of all four caucuses to develop an agreed-upon approach (e.g., data sources, format) for reflecting and updating actual and projected water demands and sources throughout the life of WF2050.
 - The working group will identify information needs and sources, as well as the timeframe for projections (e.g., a rolling 25-year time horizon). Additionally, it will determine a method for displaying the information (format, dashboard, etc.) and integrate, as appropriate, the data with Water Forum metrics and other Water Forum processes.
 - The working group will meet periodically to review and confirm its process for developing a regional perspective on water demands and supply, and recommend any necessary changes in approach.

Water Forum staff are expected to collate and synthesize data. Any additional research or analytical needs identified by the working group would need to be discussed and confirmed with both the applicable water and planning agency staff, as well as Water Forum members, to ensure that staff burden and overall costs are considered and consistent with the Water Forum's budget development and review process.

2. Education and Information-sharing

The Water Forum plays a valuable role in educating its members and others in the region about the coequal objectives. There are aspects in ARCH, for example, that speak to public outreach and education, and other areas within Section 5 that underscore the importance of learning and community engagement. This information-sharing is expected to be centered at plenaries, in the Water Forum's 5-year Status Report, through an online dashboard, and via other outreach mechanisms described elsewhere in this document.

While the Water Forum as an entity does not have a role (formal or informal) in education related to specific land use projects, it can provide a useful venue for dialogue among its members. To that end, and consistent with the Water Forum Way, signatories are encouraged to use Water Forum processes to apprise other members of major land use projects, lawsuits, and other

³² This working group could be combined with the ARCAP working group or a separate group could be formed. After the Water Forum 2050 Agreement is adopted, the caucuses will decide if two groups would be more focused or if one will be more efficient.

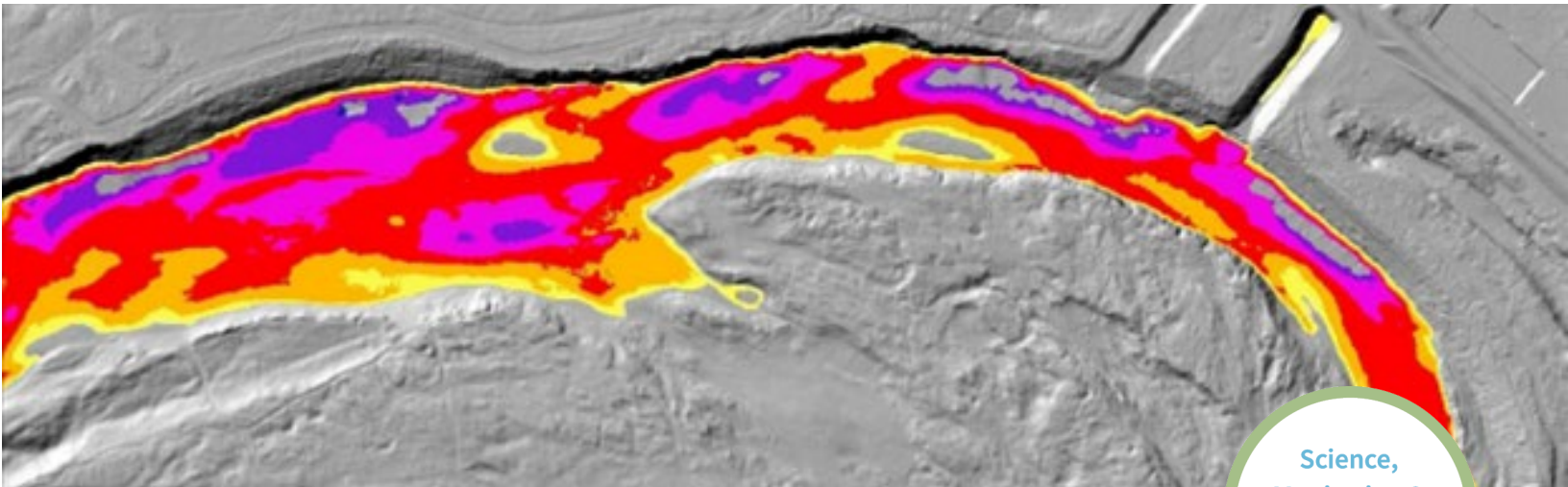
activities relevant to the coequal objectives and the work of the Water Forum. These disclosures create an opportunity for Water Forum members to engage in further discussions.

Additionally, individual Water Forum members are encouraged to keep their respective partners, decision-makers, and the public apprised of Water Forum priorities, coequal objectives, activities, and interests by utilizing fact sheets and other materials developed by Water Forum staff.

3. Water Forum Members' Right to Take Individual Positions on Proposed Land-Use Projects

All parties retain the right to support or oppose proposed land-use projects occurring within Sacramento, Placer, and El Dorado counties, and nothing in this agreement is intended to limit that right.

However, consistent with the Water Forum Way, members are encouraged to use the Water Forum process early on to disclose, discuss, clarify, and, as possible, resolve issues related to land use that may be seen as having the potential to impact the Water Forum's coequal objectives.



Science,
Monitoring &
Decision
Support

Program Area 4: Science, Monitoring, and Decision Support

The Water Forum commits to continuing to develop and sustain a robust science, monitoring, and decision support program to further study, monitor, adaptively manage, co-produce, report and share relevant data, advocate for scientific rigor, and inform and provide effective decision support for the ARFO, ARCH, WSS, and ARCAP program areas in service of the coequal objectives.

Guiding Principles

1. Continue the production and coproduction of scientific information to support effective river corridor and watershed adaptive management.

The Water Forum has a reputation for producing reliable, credible, and rigorous technical information. The Water Forum will continue to co-produce and contribute information regarding corridor health and watershed conditions (through project-related data collection and analysis, as well as other ad hoc or emerging needs) to inform flow and operational discussions with ARG and Reclamation, and support decision-making on the LAR (through the analysis and implementation of the FMS).

The Water Forum will continue to review and advocate for the most appropriate data collection, metric tracking, analyses, and tools to inform adaptive management, thereby improving conditions in the river and supporting the coequal objectives. Building relationships and acquiring data that meets Best Available Science criteria from other entities to assist with science, monitoring, and decision support activities (such as Folsom temperature profiles or CDFW carcass surveys) allows the Water Forum to leverage operating and grant funding to produce actionable information, act as a liaison between interested party and state and federal managing agencies, and support decision-making and understanding of corridor resources and conditions at public venues such as the ARG and Lower American River Task Force (LARTF), and inform regional planning efforts and regulatory processes such as the Reconsultation on the Long Term Operations of the CVP, and the Healthy Rivers and Landscapes Program (HR&LP).

2. Monitor program and project activities according to appropriate scientific standards and intervals to continue informing adaptive management.

The Water Forum's various programs and associated project work will continue to meet the highest standards for scientific data collection, tracking, analysis, and reporting. Standardized, peer-reviewed information and protocols will be utilized and incorporated where applicable. ARFO and ARCH work on the river and within the watershed will continue to be monitored and documented, with the aim of collecting actionable data to inform adaptive management, metrics reporting, and decision support. The Water Forum frequently develops specific information for ongoing work on the LAR, particularly when other information is not available or supplied by other entities, and this will continue for project-specific actions. A description of the Water Forum's current integration into broader regional and statewide adaptive management strategies, which include peer review, is provided below.

3. Communicate effectively regarding project outcomes, public data, and information access associated with Water Forum programs.

The Water Forum conducts a substantial amount of project monitoring and special studies, developing information that supports planning and decision-making in the region, from technical memoranda to peer-reviewed publications. Sharing well-organized information through open data initiatives and clearinghouses, as well as the Water Forum website, conferences, and special events, will support the Water Forum's reputation for producing reliable, credible, and rigorous technical information that can be shared publicly.

Providing easily accessible and interactive information related to the Water Forum's work for its members, the public, and educational programs is a key focus of this guiding principle. A detailed description of the role of website updates, data visualization, and a timeline for information sharing and updates associated with this principle can be found in the Metrics and Reporting section.

Program Elements

1. External Processes and Constraints That Directly Inform WF2050 Program Areas

External entities and processes influence the work of the Water Forum, particularly for the activities of the ARCH and ARFO Program Areas. The Water Forum's nexus with the oversight, reporting, guidance, and restrictions associated with various ARFO and ARCH-related regulatory processes and groups is detailed below.

Additionally, grant-funded efforts for any Water Forum Program would include actions and schedules that are informed and constrained by funding agency priorities and cost-benefit criteria, approved grant scopes, and outside science and review processes that prohibit flexibility for changes in scope or priorities prior to or during the grant term.

EXTERNAL SCIENTIFIC AND PLANNING OVERSIGHT FOR ARFO and ARCH PROGRAMS

ARCH - Central Valley Program Improvement Act, Science Integration Team (CVPIA SIT): Structured Decision-making and Near-Term Restoration Strategy Guidance and

Requirements: Reclamation and USFWS established the Science Integration Team (SIT) to use the Structured Decision Making (SDM) process as a science-based framework to identify priorities for Chinook salmon, steelhead, and green and white sturgeon. Water Forum staff and technical consultants participate in the SIT and provide information that supports an understanding of LAR habitat and science efforts and operations, to inform decision-support through continued evolution of the SIT SDM based on best available science and lessons learned. Water Forum staff oversees planning and monitoring of habitat measures and special studies associated with CVPIA grant funds.

ARFO and ARCH - HR&LP: Planning, Design Review, Monitoring, Science Plan Oversight, and Habitat and Flow Accounting Processes:

The HR&LP process includes several required venues and processes that are being put in place to ensure best available science is used to plan, implement, evaluate function, and monitor effectiveness of habitat constructed to fulfill Voluntary Agreement (VA) commitments, and test VA Science plan hypotheses. Flow and habitat measures must meet strict criteria regarding timing, suitability, and effectiveness for entities to receive “credit” for the actions. All habitat actions must also go through a third-party design review process prior to implementation and a review of As-Built Conditions. These processes represent a “feedback loop” to strive for best outcomes where best available scientific information is vetted and informed by the HR&LP process, and information developed by tributaries in the process of this work feeds back into the process. Water Forum staff sit on the HR&LP Science Committee and are heavily involved in Science Committee efforts associated with multi-tributary coordination, design review, habitat accounting, tributary monitoring, and reporting/tracking, as well as overseeing planning, implementation, and monitoring of habitat measures associated with HR&LP commitments, and ARFO activities associated with HR&LP flow commitments and accounting are occurring in close coordination with RWA staff as the American River regional representative organization under the HR&LP process.

2. Support, Evaluate, and Integrate with Appropriate Scientific Partnerships and Efforts

The need to build and maintain data-sharing channels and supportive relationships on the American River Parkway and within the watershed requires the Water Forum to carefully consider data collection and analysis activities in relation to the mandated roles and needs of other agencies. The extent to which the Water Forum relies on other entities to conduct science activities effectively supports or constrains progress towards its coequal objectives.

The Water Forum will assess the level of commitment to and investment in science-related activities that support decision-making, including an evaluation of how the Water Forum's efforts and roles compare to those of other entities conducting data collection or science activities on the LAR (e.g., Regional Parks NRMP, ARPF, CDFW, etc.). Additionally, it will be important to consider how current Water Forum efforts compare to other regional and partner efforts, the

usability and value of existing monitoring and data analyses, including its application to State and Federal agency decision-making, future use of peer-review or science advisory panels, level of certainty of future funding, nexus with upcoming programs and efforts, and consider the need for a long-term, robust monitoring framework/program, decision support, and data management within the context of climate change on the LAR.

Due to various agency mandates such as those related to operations, river and fishery management, water supply, and groundwater planning, etc., for certain information, the Water Forum is often dependent on the actions of other agencies to collect the scientifically defensible data needed for decision-making. Data collected and used to monitor progress toward coequal objectives and guiding principles are described in the next section.

3. Metrics and Reporting

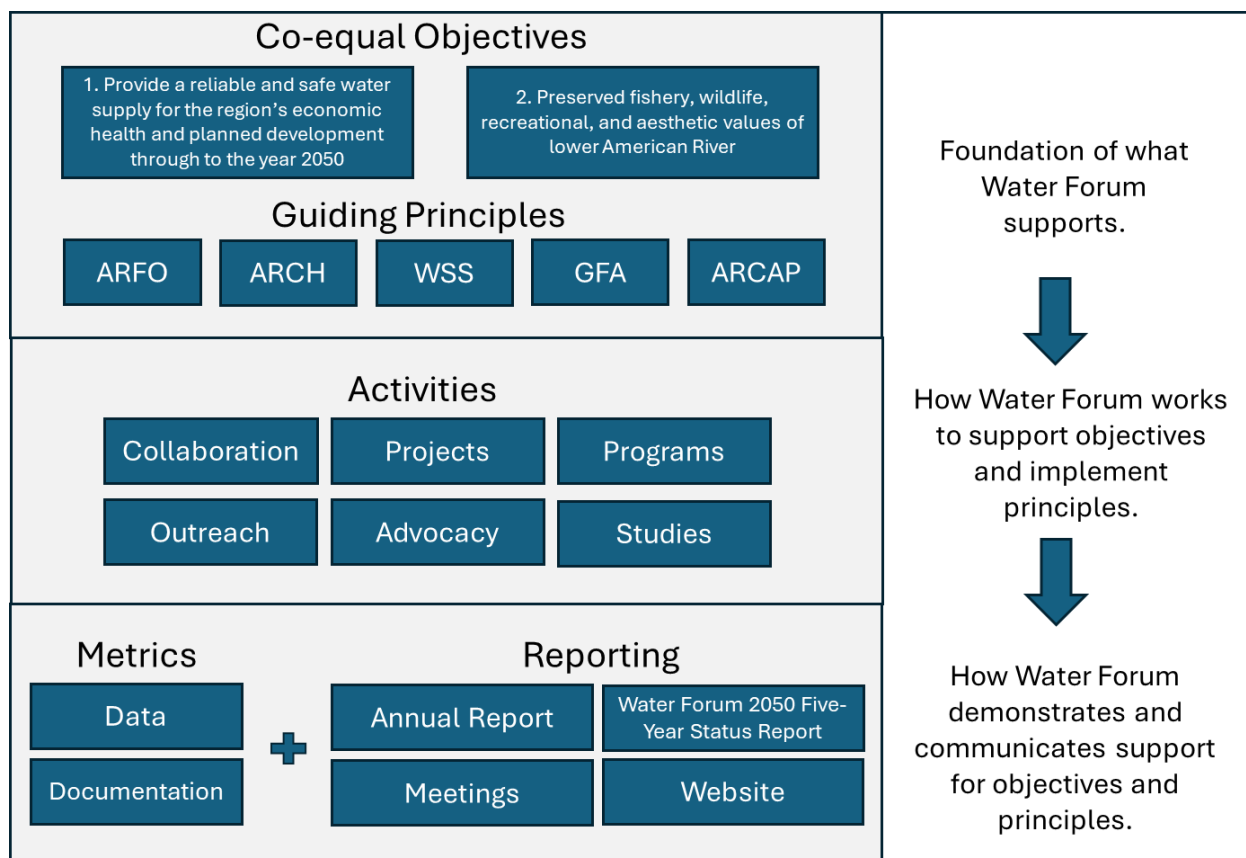
The metrics and reporting program element identifies appropriate information, data and metrics related to the work of the Water Forum, and details how the Water Forum will track and communicate progress on efforts that support the coequal objectives and encompasses a range of activities covered under the ARCH, ARFO, WSS, GFA, and ARCAP guiding principles. This section provides the foundation and framework for ongoing analysis and synthesis to support monitoring and reporting for Water Forum's activities and the success of WF2050.

Metrics will be utilized to track and provide transparency in reporting progress toward both coequal objectives and the agreement's guiding principles. Metrics will leverage existing publicly available data, as well as information collected from programs, projects, studies, and outreach initiatives led and supported by the Water Forum.

Regular tracking and reporting by the Water Forum will provide an opportunity to share information about the value of the Water Forum's presence and the organization's role in the region. Monitoring informs adaptive management and decision-making, while reporting enhances the general understanding of water supply sustainability and river health, and helps build trust with interested parties.

Figure 5 provides an overview of the relationship between the coequal objectives, guiding principles, metrics, and reporting. The coequal objectives and the guiding principles of the agreement establish the foundation of what the Water Forum supports and pursues. Activities that span from collaboration to specific projects, as well as outreach and engagement, support how the Water Forum works to achieve its objectives and implement these principles.

Figure 5. Coequal Objectives and Guiding Principles Relationships with Activities, Metrics, and Reporting



Types of Metrics

There are two types of metrics that are intended to be used in tracking the implementation of the agreement's guiding principles: data-driven metrics and documentation metrics. In addition to these types of metrics, there is contextual data that is informative regarding the status of the coequal objectives but is not necessarily indicative of the success of the Water Forum. A description of the metrics is provided below, and a summary table of the metrics used in the Water Forum metrics and reporting program element, along with their respective categories and relevant program areas, is included in **Appendix 9**.

Data-Driven Metrics: Data-driven metrics encompass quantitative information derived from analyses of habitat availability (e.g., percentage of exceedance flows), river temperatures, changes in groundwater sustainable yield, and trends in hydrologic conditions. Data-driven metrics can also include quantifiable values related to funding, the number of individuals reached or engaged, and the number of participating organizations. Several categories help differentiate the focus of data-driven metrics. These categories include:

- Water Quality (temperature, dissolved oxygen, etc.)

- Habitat
- Storage
- Funding
- Water Supply
- Other

The Other category is used to capture data-driven metrics that do not cleanly fit into a defined category, supporting flexibility in updates made to metrics over time as new information becomes available. A summary of these data-driven metrics is provided in **Appendix 9**.

Documentation Metrics: Documentation metrics are typically more qualitative and descriptive in nature. Several categories help differentiate the focus of documentation-driven metrics. These categories include:

- Accountability
- Benefits
- Partnership
- Process & Structure

Metrics that provide documentation of accountability are typically related to commitments to specific actions, documenting outcomes from meetings and briefings, and efforts to provide clear communication and consistent messaging. Efforts to enhance transparency and clearly communicate roles and responsibilities are also grouped under the category of accountability. The benefits category is related to metrics that document opportunities, improvements, and evaluations of impacts or beneficial results. Partnership metrics document and describe collaborative meetings and engagement sessions as well as partnership opportunities. Process and structure metrics document specific processes and organizational or procedural structures. A summary of these documentation metrics is provided in **Appendix 9**.

Contextual Data and Information: It is important to note that there are other data and information that represent contextual information related to the status or viability of the coequal objectives that are important for tracking and monitoring changes in conditions, understanding long-term trends, or normalizing Water Forum-collected data and analyses, such as: ambient air temperature, snow accumulation, salmon carcass surveys, Delta conditions, salmonid population and growth studies, upstream reservoir storage, and others. However, while these metrics are informative as to the viability of the coequal objectives, they are not necessarily indicative of the effectiveness of the Water Forum's efforts. Relevant contextual data and information will be tracked within the Metrics and Reporting program element as is viable and informative for guiding Water Forum priorities. Data synthesized and communicated in this category will evolve over time based on the direction of the Plenary with the goal of providing a consistent basis of understanding on the conditions and trends related to the coequal objectives.

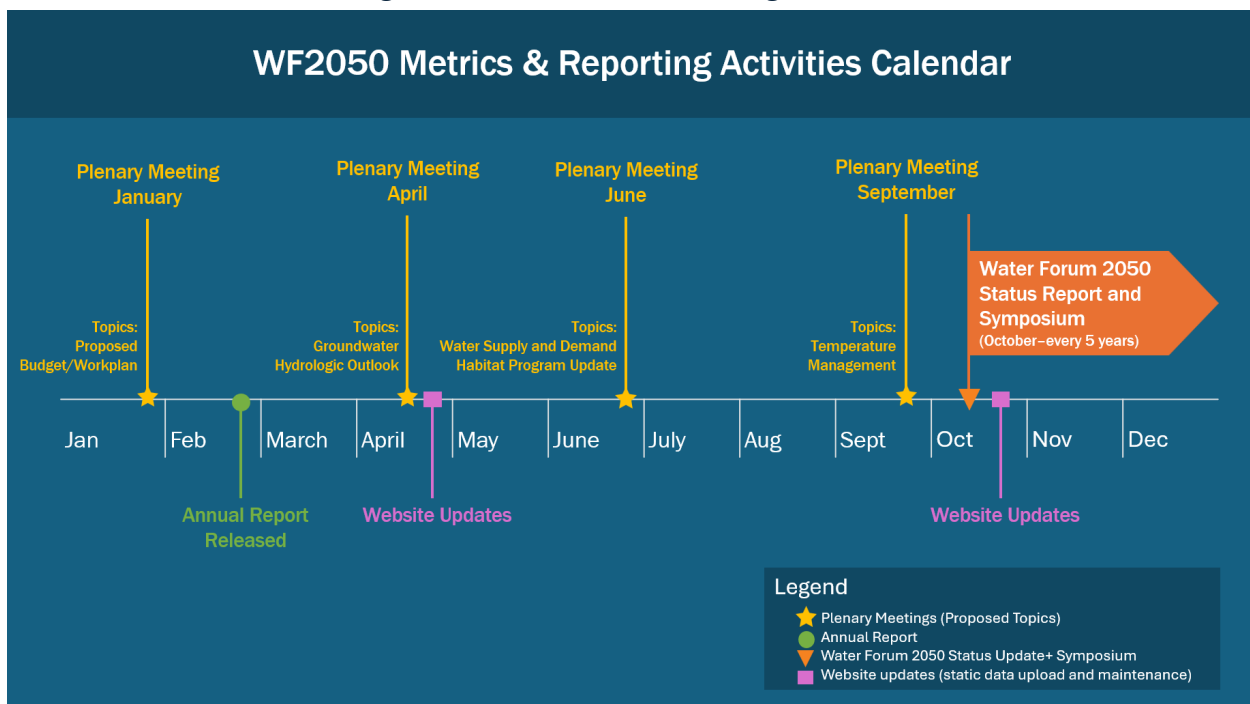
Metrics Reporting and Timeline

Several reporting mechanisms will be used to document and communicate progress on supporting the coequal objectives and WF2050 guiding principles. The reporting mechanisms are listed and described below. Additionally, the metrics identified for inclusion in each respective reporting mechanism are detailed in **Appendix 9**.

- Annual Report
- Water Forum 2050 Five-Year Status Report and Quinquennial Symposium
- Plenary and Caucus meetings (regularly recurring meetings)
- Water Forum website and Conditions/Data Dashboard
- Project-specific reporting (as needed)

The reporting mechanisms listed above will be relied upon throughout the year and follow a general timeline (**Figure 6**). To enhance member engagement and more effectively communicate relevant information, an annual sequence is proposed that is closely tied to the availability of pertinent data and/or information, as well as relevant partner processes, key decision points, and actions throughout the year. Please note that project reporting will occur according to the individual project schedule.

Figure 6. Metrics and Reporting Timeline



Annual Report

Each year, the Water Forum will update and provide an Annual Report that describes the Water Forum's priorities, updates, and progress on Water Forum internal operations and

implementation of the WF2050's guiding principles. Content will include updates and a reflection on the past year based on data-driven metrics, including funding, habitat, river temperature, storage, water supply, etc., as well as documentation metrics for communicating accountability efforts and realized benefits. This report will be released annually in the first quarter and will reflect the activities and progress made by the Water Forum during the previous year. This report may include specific, agreed-upon reporting metrics to document a summary of progress made on ARCAP.

Five-Year Status Report

The Water Forum commits to developing a Water Forum 2050 Five-Year Status Report that will synthesize information related to the status of efforts supporting the coequal objectives and implementation of the guiding principles. The report will describe the progress made regarding the impact of program activities on a sustainable and reliable water supply, as well as their contribution to corridor health. The report will also describe the progress made through metrics that support accountability and document updates to processes and structures. Reporting may also consider and include information solicited from other agencies and entities, where applicable, appropriate, and where best available science considerations can be met³³. This report will provide a valuable opportunity to reflect on trends that are more easily interpreted at a time step greater than one year. This report may include specific, agreed-upon reporting metrics to document a summary of progress made on the ARCAP Guiding Principles.

The Water Forum 2050 Five-Year Status Report will be utilized internally to evaluate progress of the Water Forum's work, but will also be compiled in a format that is easily shareable with and relevant to other interested parties and a wider public audience. The Five-Year Status Report will: (1) comprehensively review progress towards meeting the coequal objectives and guiding principles; (2) highlight climate change impacts or other factors that may be impacting the work of the Water Forum, and (3) suggest any needed revisions or changes to WF2050 priorities and activities, or the annual work plan to address changing conditions. The Five-Year Status Report will be developed in coordination with the members and reviewed and confirmed by the Coordinating Committee. Upon completion, this report will be presented at a Plenary meeting for final approval before being shared publicly.

When developing the report, Water Forum staff will strive to use language, graphics, and learning and engagement sessions that make both the data and any associated ramifications accessible

³³ Although leveraging information from other agencies is advantageous, consideration should be given to using best available science and understanding the limitations associated with reliance on data collected by entities outside the Water Forum, that may have funding/staff limitations and differing management mandates that can affect data quality, format, useability, timeliness, availability, and scientific defensibility.

to an intended audience (Water Forum members and others) with varying degrees of expertise in the different topic areas.

Quinquennial Symposium

Every five years, and following shortly after the release of the Water Forum 2050 Five-Year Status Report, a Water Forum 2050 Quinquennial Symposium will be held to highlight how the work of the Water Forum supports improved water supply reliability, habitat and science, and operational decision-support needs for the LAR, and tracks metrics and adaptively manages activities in service of the coequal objectives. This symposium is meant to foster resource understanding among members and the public and offers an opportunity for strengthening partnerships within the region.

Having the symposium occur on an interval that matches the Water Forum 2050 Five-Year Status Report provides an opportunity to offer an interactive and collaborative opportunity to discuss broader trends identified in the Five-Year Status Report and participate in visioning and development of ideas for adaptive management and next steps to address issues that are directly actionable by the Water Forum (programs/projects/funding) or indirectly actionable through advocacy and new or continued partnerships. Water Forum members will be actively engaged in the development and implementation of the Symposium.

Plenary Meetings

Plenary meetings are conducted on a quarterly basis and are focused on key areas of the Water Forum's activities. Under the proposed schedule, during the first quarter, Plenary meetings will focus on the proposed Annual Budget and Work Plan, as well as the previous year's Annual Report. In the second quarter, these meetings will focus on groundwater and the hydrologic outlook. In the third quarter, the focus shifts to water supply and demand, along with an update on the ARCH Program. The fourth quarter will discuss annual temperature management on the LAR. It is intended that the Plenary meetings will also provide an opportunity to highlight the efforts of Water Forum member organizations and/or invite partners to share relevant information on projects or programs that provide mutual benefits toward the coequal objectives and guiding principles, as well as other topic areas as needed.

Caucus Meetings

Caucus meetings are held monthly, or as beneficial for the respective caucus. These meetings provide a venue to discuss areas of interest related to the Water Forum's work for the respective caucuses: Business, Environmental, Public, and Water. The metrics topics discussed in these meetings will align with and be prepared for in advance of the quarterly Plenary meetings.

Water Forum Website

The Water Forum website will be updated biannually and as needed to provide information synthesized by the Water Forum and illustrating its relevance to the coequal objectives (e.g., regional demand data, information from regional GSPs, REDD and snorkel surveys, peer-reviewed publications, and project-specific reports). Website information will be presented in a manner that is useful, timely, and accessible to those with and without in-depth knowledge of the system and the Water Forum's coequal objectives.

Real-Time Conditions and Data Visualization Dashboard

As funding becomes available, a robust data and information visualization dashboard will be developed and maintained, focused on Water Forum program areas, results, and synthesis of information, in line with Principle 3 of the Science, Monitoring, and Decision-support Program Area.

Leveraging new technologies and emerging platforms for sharing data (such as an interactive conditions and data visualization dashboard, Shiny apps, etc.) where the Water Forum's work may be showcased and where members, the public, and partner agencies may access data, visualize status and trends, and interactively synthesize and interpret information is a focus area for future reporting efforts. As part of this reporting mechanism, there is a commitment to improve, expand, and maintain an online dashboard that provides real-time updates on key indicators and benchmarks of water supply and river health to help inform flow and operation decisions and share the results of the work of the Water Forum in an easily accessible, interactive way for all users.

The dashboard will, as much as practicable, draw on existing data and ongoing data collection mechanisms associated with Water Forum programs, and will include linkages that are updated continuously to reflect real-time conditions from partner entities (such as CDEC), as possible, and other indicators like river flows, Folsom Reservoir storage, and water temperature; as well as habitat conditions or likelihood of presence/absence of salmonids based on lifecycle.

Additionally, the data dashboard will also synthesize physical, biological, hydrologic, and spatial data gleaned from past Water Forum project and program efforts and will allow the user to interact with and visualize river science information, hydrologic data, regional water supplies and demands, and other program data and trends, and will act as an online repository for Water Forum's relevant technical studies, monitoring reports, peer-reviewed publications, and data that has undergone quality assurance/quality control. The dashboard would also link to existing and emerging open data platforms where LAR fisheries and physical data are housed and available for the broader scientific community to utilize. The data dashboard will incorporate information for metrics as described earlier in this section and summarized in **Appendix 9**.

Project-specific Reporting

Reporting of project progress and outcomes will be conducted according to the project-specific schedule. Metrics included in this reporting are anticipated to include funding data-driven metrics, as well as documentation of accountability efforts, project benefits, and processes and structures.

Revisiting Metrics and Adaptive Management Needs

Metrics inform our understanding of the status of the coequal objectives and where future resources may be best directed as conditions change over time. Reporting focuses on the status and trends associated with metrics specific to the coequal objectives and Guiding Principles. This information can be used to identify changed conditions and decision points at which the Water Forum may need to shift its focus or adaptively manage its activities to anticipate and respond more effectively to these changes. Updates to Water Forum activities will be documented in the form of Adaptive Management Actions that will be recommended in the Water Forum 2050 Five-Year Status Report and discussed at the Water Forum 2050 Quinquennial Symposium.

Anticipated changes can also be influenced by concurrent planning efforts and partner projects and programs, which support the need for continued collaboration as Water Forum metrics are revisited and updated over time. Current (at the time of signing) planning processes relevant to the Water Forum's work that should be considered in tandem with updates to the Water Forum metrics and reporting process include (but are not limited to):

- GSP updates
- UWMP updates
- Reconsultation/LTO
- HR&LP implementation
- CVPIA SIT Near-Term Restoration Strategy updates
- Regional Parks Natural Resource Management Plan and Monitoring Plan efforts

Caveats and Assurances

1. *The level of effort and the scope of Science, Monitoring and Decision Support Program activities will be informed by emerging data needs, and science activities mandated by regional and/or statewide programs that may arise during the WF2050 term (i.e., the Statewide HR&LP Science Plan habitat accounting process, changing hydrology, new water supply regulations, etc.), and other emerging funding sources and requirements, as applicable.*



Program Area 5: Governance, Funding, and Administration

The Water Forum commits to sustaining robust Governance, Funding, and Administration (GFA) for the organization, in service of its coequal objectives.

The structure of the organization builds on the success of the existing Water Forum and is designed to support the programs throughout the 25-year term of WF2050.

Guiding Principles

Guiding Principles are grouped into the following categories:

- General
- Governance
- Funding
- Administration

These guiding principles are crucial to maintaining the long-term integrity and efficacy of the Water Forum as an interest-based organization. These principles serve as both a touchstone to guide our work and a scorecard to measure the extent to which an evolving governance approach is consistent with and likely to further these principles. Collectively, these principles work to instill confidence, both internally and externally, in Water Forum direction, decisions, and actions. Water Forum members (also referred to as signatories or member organizations) support and actively practice the principles outlined below.

General Guiding Principles

1. Commitment to The Water Forum Way

The Water Forum Way is an explicit set of mutual obligations that has guided Water Forum members' engagement with one another since its inception. Members demonstrate adherence to the Water Forum Way through the following practices:

- Mutual gains approach and collaborative effort to seek consensus and build trust;

- Participating with an open-minded, respectful, and interest-based approach to all discussions;
- Working through challenges, search for and find balance across the Water Forum's coequal objectives;
- Understanding Water Forum processes and interested parties;
- Surfacing and seeking to understand and accommodate differences and interests among Water Forum members; and
- Working with diverse groups to enable voices to be heard and to have an opportunity to have a seat at the table.
- Demonstrating a commitment to becoming informed on the topics fundamental to engaging in effective Water Forum discussions.

All members of the Water Forum, as well as staff and consultants, commit to adhering to the Water Forum Way and hold one another accountable for reinforcing this practice.

2. Commitment to Bridging Differences in Perspectives, Experiences, and Resources

Natural resource management and policy can be a place of conflicting and competing interests and resources, both within and across regions. An effective Water Forum governance creates a platform for diverse Sacramento-region participants to have the hard conversations necessary to build consensus for the needed actions within the region and to advocate for its interests with others elsewhere. Water Forum members recognize that effective governance is grounded in a process that holds at its core the following:

- Inclusive and active participation
- Governing processes that address potential inequities to achieve a more level playing field and hear all members' perspectives
- Encourage novel thinking to address the coequal objectives
- Mechanisms that foster timely decision-making (e.g., avoid gridlock or handing any one-party veto power, etc.)
- A "no surprises" policy that puts a premium on member candor and full disclosure on Water Forum-related issues
- Builds and tests for broad buy-in for any agreed-upon actions and decisions

3. Commitment to Open, Transparent Public Processes

The Water Forum is committed to acting in a manner that improves and strengthens public trust. Water Forum members believe that as public agencies and representatives of diverse interests, it is imperative that our actions are open and transparent, and that we work diligently to maintain accountability and build trust in our work.

4. Commitment to Understanding How the Work of the Water Forum Impacts Our Region's Diverse Communities

Consistent with these principles, Water Forum members are committed to a governance approach that incorporates effective and credible mechanisms to understand and consider how the diversity of perspectives and communities in our region intersects with the Water Forum's work and priorities. We recognize that we "don't know what we don't know," and strive to create a structure that fosters shared learning. To that end, the Water Forum embraces a governance structure and culture that fosters the following:

- Each caucus strives to bring diverse and traditionally underrepresented voices into its caucus and discussions.
- Discussions and learning sessions that help Water Forum members understand how their pursuit of the coequal objectives may have the potential to impact positively or negatively, the full range of individuals and communities within our region, and especially those who may have a nexus with historic and current inequities
- Identify and, as practicable, address barriers to full participation by communities and parties that Water Forum activities may impact. Consider forming partnerships with community groups to increase engagement among underrepresented groups and ensure their interests are represented in Water Forum deliberations.
- Learn from one another and share effective techniques to strengthen outreach and inclusion of communities and people traditionally on the periphery of Water Forum-related discussions. Look to state resources to support these efforts and consult with diverse constituencies to advise on best practices.

The final Governance Program Element, Community Outreach and Engagement, addresses more specific strategies for considering how aspects of the Water Forum may intersect and impact diverse communities and constituencies.

5. Principles Require Practice

The Water Forum regularly applies the principles of our work through tools such as establishing meeting ground rules, addressing gaps in representation, and promoting transparency through disclosures. Consistent with these principles, Water Forum members are committed to a governance approach that builds on effective and credible mechanisms to understand and consider how our region's diversity of perspectives and communities intersect with the Water Forum's work and priorities.

GOVERNANCE

Governance Guiding Principles

1. Governance Scaled to Meet the Mission

The Water Forum's governance structures (including budget, staffing, programs and representation) are appropriately scaled to the Water Forum's mission and related tasks (as defined by the coequal objectives); while balancing the need for robust and inclusive learning, discussion, and decision-making with the reality of member resource and capacity constraints.

2. Governance Avoids Duplication of Efforts

Water Forum governance is structured to complement, not replicate, efforts undertaken elsewhere (within and outside the region) that have the potential to further (or impact) its coequal objectives.

3. Governance Supports Learning and Community Engagement

Given its commitment to building a broad coalition for advancing its coequal objectives, the Water Forum will ensure that its governance structure includes ongoing and effective mechanisms and opportunities to learn from one another and to educate and learn from external community groups that may be potentially impacted by Water Forum actions.

4. Clear Roles and Responsibilities for All Facets of the Water Forum

An effective governance structure clearly articulates roles and responsibilities for all facets of the Water Forum, including members, staff, and consultants, as well as written charters for any established committees that describe their purpose, scope, participation, leadership roles, and decision-making protocols. It also incorporates a clear process to identify and learn about recruitment, which improves representation and onboarding and mentoring of new members, as well as ensures that current members understand the updated governance structure.

5. Effective Leadership Fosters Productive Dialogue and Consensus Building

The Water Forum is an organization that relies on the participation of individual member organizations in the Plenary and in interest-based caucuses. This governance structure relies on the active participation of its members and leadership to foster trust within and across caucuses, as well as between and among Water Forum members, staff, and consultants. Any leadership for caucuses or committees is intended to facilitate representative, effective, and efficient communication, not replace the Water Forum's consensus-based decision-making structure.

Governance Program Elements

Governance Program Elements are grouped into the following categories:

- Governance Structure
- Roles and Responsibilities

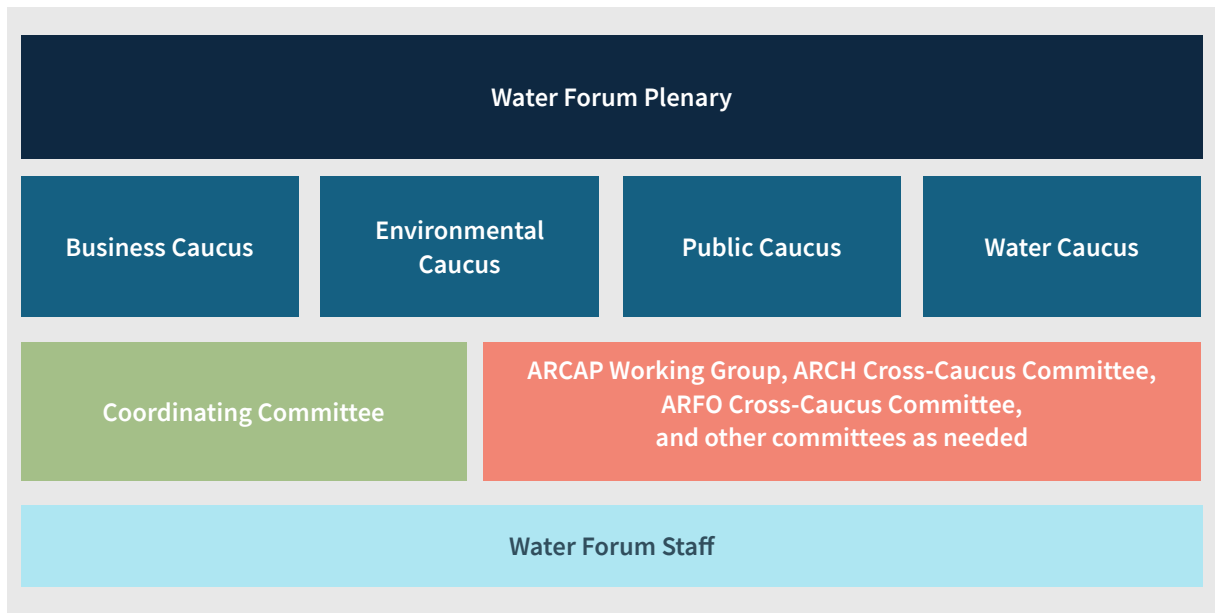
- Water Forum Standing Committees and Working Groups
- Decision-Making
- Representing the Water Forum Externally
- Implementation Partners
- Community Outreach and Engagement

Program Elements–Governance Structure

1. Governance Structure

The Water Forum is a collaborative organization that strives to bring together diverse interests in the Sacramento region and American River watershed to create innovative solutions and, when needed, resolve conflicts to help achieve the coequal objectives. **Figure 7** is an illustration of the Water Forum’s governance structure, outlining the organization’s members, various bodies, and the roles and responsibilities of participants.

Figure 7. Water Forum Governance Structure



2. Water Forum Signatories

WF2050 is a voluntary agreement that organizations signed to carry out actions in support of the coequal objectives. The signatories to WF2050 acknowledge that by signing, they commit to support, advocate for, and carry out all actions specified for them in WF2050, and any related Purveyor Specific Agreements (PSAs), the Interagency Agreement for the Administration and Management of the Water Forum, or any other implementing agreements, subject to the relevant caveats and assurances. All signatories to WF2050 have equal standing in the Water Forum.

3. Membership

All signatory organizations are considered members of the Water Forum. Participation as a member is expected of entities that sign WF2050, including business, agricultural, and environmental organizations, community groups, water purveyors, and local governments. The Water Forum will continue the interest-based Water Forum Way process used successfully in developing and implementing the previous WFA.

Therefore, all Water Forum participants, acting as representatives of their signatory organizations, have the following general responsibilities:

- Commitment to the discipline of interest-based problem solving
- Willingness to invest time and resources to carry out WF2050 responsibilities
- Willingness to work collaboratively with others
- Commitment to an inclusive, fair, and transparent decision-making process
- Commitment to integrating diversity, equity, inclusion, justice, and accessibility considerations as part of Water Forum activities and deliberations

Because the effectiveness of the Water Forum will depend upon cooperation and collaboration among all participants, members will observe the following ground rules:

- Listen carefully and openly discuss issues with others who hold different opinions
- View a disagreement as a problem to be solved, not a battle to be won
- Avoid stereotyping and personal attacks on any other representative
- Avoid questioning or impugning the motivations or intentions of any other representative
- Respect the integrity and values of other representatives
- Honor commitments once made

Each Water Forum signatory organization may have multiple representatives participating in the Water Forum, but may designate only one signatory representative (and an alternate) to participate in formal decision-making actions (see Program Element – Decision Making, below). Signatory organizations are also encouraged to name an alternate to fill in when the designated signatory representative is unavailable. Each signatory will inform the Executive Director in writing of their signatory representative and alternate.

4. Process for Adding New Members

The Water Forum will utilize the steps below to consider requests from organizations seeking to become new members of the Water Forum once WF2050 is adopted and being implemented. New members can be considered at any time.

- Any potential new member contacts the Water Forum Executive Director, an existing member organization, or caucus to express their interest in becoming a signatory.
- Based on this interest, the Water Forum member or caucus can nominate the new potential member for consideration. This sponsoring member or caucus is responsible for describing the new member organization. The description outlines how and why the proposed member is aligned with and supports the Water Forum's coequal objectives, member participation commitments, and responsibilities. The description is distributed to other signatories for their review and consideration.
- If any existing member(s) raises concerns about the proposed new member, the Executive Director – consistent with the Water Forum Way – will bring those members together with the new proposed member to discuss and attempt to resolve any existing conflict prior to their becoming a new member or identify a pathway to address the concerns constructively through future discussions.
- The new-member sponsor collaborates with the Executive Director to add the item to the agenda of a subsequent Plenary meeting, where the prospective member is present. After a discussion, the Plenary votes to accept the new member organization. If the decision to accept the new member organization is not unanimous, the decision-making process (outlined in Program Area 5: Governance, Funding, and Administration) is used to arrive at a final determination.
- Once approved, the new member organization signs WF2050, and their designee joins the appropriate caucus.

If the Water Forum is updating WF2050, prospective member organizations can join the appropriate caucus to participate in discussions related to the update. The prospective member organization would only formally join the Water Forum once the new WF2050 is put forward for adoption, and they opt to sign on as a signatory.

5. Process for Onboarding New Members

When a new organization joins the Water Forum or a new representative of an existing member organization joins the Plenary, the Executive Director shall implement the Water Forum Mentoring Program. This Program immediately pairs up the new representative(s) with one or more caucus representatives (Caucus Mentors). When possible, Caucus Mentors will have at least four years of experience with the Water Forum. The Executive Director will provide briefings regarding WF2050 and the full range of Water Forum programs, expected time commitments for members, and related issues to ensure new members are prepared to engage effectively. The Caucus Mentors will provide additional information and insight regarding caucus operations and interests. Caucus Mentors will also assist the Executive Director in introducing the new member to other Water Forum members outside of their caucus and join the new members at Plenary

sessions. Caucus Mentors will actively mentor new members for the first year of their involvement as a Water Forum member.

6. Process for Handling Consolidations Among Existing Members

In the event that two or more distinct signatory organizations already in the Water Forum merge into a single entity, the new entity will inform the Water Forum Executive Director of this change, and it will be considered a single signatory entity within the Water Forum. The new entity will identify its designated representative and alternate.

7. Process for Exiting Current Members

When a signatory organization voluntarily leaves the Water Forum, the Executive Director will request an exit interview with the exiting member to understand their reasons for leaving and share those insights, as appropriate, with the Coordinating Committee, caucuses, and the Plenary.

If a member organization is not meeting its stated commitments or its representative(s) are consistently failing to abide by Water Forum participation principles, the issue will first be discussed within the respective caucus. If the issue is not successfully resolved through caucus discussions, a caucus may refer the issue to the Executive Director, who will work with the member and the Coordinating Committee to successfully resolve any concerns to the satisfaction of each caucus. If necessary, the issue will be referred to the Plenary for further action, up to and including removal, in accordance with the decision-making process outlined in the Process for Renegotiation or Amendment Requests (see Administration Program Elements).

Program Elements–Roles and Responsibilities

8. Water Forum Plenary

Purpose: The Water Forum Plenary (Plenary) is the main decision-making and information-sharing body for the Water Forum and sets policy direction for staff. The Plenary approves the annual Water Forum budget, business plan, and Water Forum program directions consistent with the Water Forum Agreement. The Plenary approves the charters of all formed Standing Committees and Technical Advisory Groups. Changes to WF2050 are within the purview of the Plenary unless the Plenary decides they need to be referred to signatory members' boards for formal confirmation (see section on Changed Conditions and Amendments in Administration Program Elements).

Composition: The Plenary consists of representatives from the signatory organizations, and each signatory has equal standing in the decision-making process.

The Water Forum recognizes the benefits of the Plenary as a venue for facilitating information-sharing, coordination, and collaboration across a wide range of audiences. To that end, Plenary meetings are considered open forums for both members and non-members. There may be times, based on issues under discussion or particular situations (e.g., litigation or ongoing

negotiations), where it is appropriate to limit Plenary meeting participation to signatories only. Such a decision will be made by the Executive Director, in consultation with the Coordinating Committee.

Roles and Responsibilities: Roles and Responsibilities of signatory representatives include engaging in Plenary meetings consistent with the principles stated above.

Disclosures: The Water Forum has a long-standing practice of setting aside time in each meeting (e.g., Plenary, caucus, other) for disclosures. Representatives are encouraged to disclose information about their organization's activities related to the coequal objectives that may be of interest to other participating organizations. These disclosures, typically made verbally at the start of Water Forum Plenary or committee meetings, are intended to keep one another apprised of upcoming communications, actions, testimony at hearings, etc. that may be related to or impact Water Forum activities and/or coequal objectives. For time-sensitive issues, members are encouraged to share disclosures in a timely fashion (e.g., by email or phone to the Executive Director and/or members, as appropriate) rather than waiting for the next available Water Forum meeting. The intent of disclosures is to support a "no surprises" policy among signatories, thereby enhancing collaboration, coordination, and trust among Water Forum members.

Schedule: Plenary meetings are expected to be held quarterly throughout the year; exact meeting times will be scheduled sufficiently in advance to facilitate participation by Water Forum members. The Executive Director, the Coordinating Committee, or a Plenary member may propose changes to the Plenary meeting schedule. The decision to change the meeting schedule shall be made by the Executive Director in consultation with the Coordinating Committee. Plenary meetings are open and inclusive, with updates provided by Water Forum staff on projects and programs being implemented to meet the coequal objectives.

Plenary decision-making processes are discussed in the Decision-Making Program Elements. The process for Renegotiation or Amendment Requests can be found in the Administration Program Elements.

9. Water Forum Caucuses

Purpose: The Water Forum has four caucuses – Business, Environmental, Public, and Water – each of which coalesces diverse interests in the region with a common interest and drive to work collaboratively to further the coequal objectives. The purpose of each caucus is to provide a venue that primarily facilitates information sharing and discussion of issues of interest to the caucus, in an open and collegial framework that seeks to find alignment among the participating entities and enhance consensus opinion.

The Public, Business, Environmental, and Water Caucus members have each documented a specific Caucus Interest Statement that serves as a foundation for each caucus's discussions and work in the WF2050 negotiation, in service of the co-equal objectives. The Caucus Interest Statement is used to explain the Caucus's values and goals for recruiting or orienting new

members, as well as working with the other caucuses. The four Caucus Interest Statements are posted on the Water Forum website and are available for review by Water Forum members and the public. The Caucus Interest Statements can be updated or amended with agreement from caucus members. While caucuses make decisions related to their internal functions (e.g., naming representatives to committees, designating any internal caucus leadership, etc.), caucuses are not decision-making bodies related to Water Forum decisions unless the Plenary is unable to reach consensus (as described in the Decision-Making Section).

Composition: The Water Forum is structured into four caucuses, each centered around one of four main interest groups with a stake in the coequal objectives. These caucuses, described below, are tasked with representing the breadth of interests within their caucus, either through direct participation of entities within the caucus or through effective outreach to affected parties affiliated with their caucus. Each caucus is committed to the Water Forum's coequal objectives, while also contributing a distinct and broader focus through their participation.

- **Business Caucus** – The Business Caucus includes representatives from organizations that have a strong interest in maintaining the Sacramento region's economic health, growth, and urban competitiveness through the constant supply of reliable and cost-effective water resources. Participants are motivated to support viable solutions for water conservation, a healthy American River Parkway, and conjunctive use of groundwater to / augment supplies and prevent unnecessary constraints on growth.
- **Environmental Caucus** – The Environmental Caucus comprises organizations with a strong interest in protecting regional surface and groundwater Public Trust resources for all beneficial uses and users. The Environmental Caucus advocates for public access to pristine park and recreation spaces, programs that lead to the efficient use of water resources, water-related climate adaptation actions, SMART growth within the Urban Services Boundary, and thriving conditions in and along the LAR and its tributaries for all aquatic and terrestrial species that utilize and live near the river, including water temperature, flows, and dissolved Oxygen levels necessary for the healthy lifecycle of Chinook Salmon, Steelhead Trout, and other sensitive aquatic species in the LAR.
- **Public Caucus** – The Public Caucus comprises organizations that represent current and long-term public interests in water availability and affordability, as well as public access to the LAR and Parkway, and communities that are underserved or underrepresented in current civic engagement. The Public Caucus comprises nonprofits, community organizations, land-use authorities, and general government entities. Within the context of the coequal objectives, the Public Caucus promotes the following:
 - Redress inequities that result in uneven representation and participation in civic processes; the Public Caucus endeavors to fully represent the communities of the Sacramento region and therefore makes special efforts to ensure robust public participation processes in Water Forum work efforts.

- Balance land planning efforts with the sustained availability of water, given the impact of climate change on water supply.
- Implementation of water conservation, demand management, and nature-based solutions to ensure affordable water rates, preservation of the environment, and adequate water supply.
- **Water Caucus** – The Water Caucus comprises water purveyors serving communities in the American River watershed and region, as well as non-purveyors, including RWA, El Dorado County Water Agency, and others. The Water Caucus members’ mission is to provide a reliable, safe, and long-term water supply for its customers and support for the Water Forum’s coequal objectives.

New Water Forum members will work with the Executive Director and caucus leaders/points of contact to identify the relevant caucus to join based on their entity’s focus and interests. (See Elements 4 and 5 under Governance above for language regarding the process for approving and onboarding new members.)

Roles and Responsibilities: Caucus meetings are designed to facilitate communication within the caucus regarding issues pertinent to the Water Forum.

Each caucus may choose to elect leaders or points of contact to assist with communication and information-gathering within and between caucuses and/or Water Forum staff. Additionally, having an individual (or individuals) selected to help the caucus clarify and sharpen its shared interests is extremely helpful and encouraged. Conversations in the caucus meetings are intended to foster brainstorming among members and generate ideas that can be shared in discussions across caucuses. Each caucus will decide how to handle confidentiality regarding caucus discussions.

Water Forum staff and consultants typically participate in caucuses to stay abreast of and contribute to caucus deliberations. Staff and consultants draw on these insights to help guide Water Forum discussions and activities, building collaboration across caucuses. In doing so, staff and consultants are asked to use their discretion in sharing information across caucuses (e.g., not assigning comments to individual members nor with enough specificity to identify the commenter), and caucuses are encouraged to indicate to staff and consultants sensitive issues that should be treated confidentially (i.e., not appropriate for sharing outside of the caucus).

Conversations among signatory representatives are encouraged, and nothing in this description is intended to limit individual Water Forum members from engaging in dialogue directly with other members.

Schedule: Caucus meetings are held monthly, or as needed (may be more or less frequent). Caucuses may request Water Forum staff/consultant support related to facilitation, technical presentations, etc.

10. Water Forum Staff

Purpose: Water Forum staff are the “glue” that hold the Water Forum together and facilitate implementation of the five Program Areas and ARCAP. To that end, they act as key points of contact with members and non-members. The Water Forum is staffed by a range of professionals with expertise in water, biology, environmental, engineering, construction, communications, and other related disciplines. More details on Water Forum staff roles in external communications can be found in the Representing the Water Forum Externally Program Element.

Composition: Water Forum Staff includes the Executive Director, and technical leads/program manager(s) for the Water Forum Program Areas, and fiscal and administrative support staff. At the time of signing, the Executive Director reports directly to the Director of the City of Sacramento Department of Utilities, while other staff report directly to the Water Forum Executive Director. These positions and roles are subject to change based on the Water Forum's focus, available funding, and ongoing discussions with the Plenary and the City of Sacramento.

- The Executive Director plays a vital role in working with member organizations, caucuses, and the Plenary to identify opportunities for collaboration and agreement-building across the various entities, as well as surfacing and resolving disagreements that may impede the pursuit of the coequal objectives. The Executive Director (in conjunction with other Water Forum staff and consultants) carries out this role through a mix of one-on-one conversations with members, arranging for small within and across-caucus discussions, and conducting ongoing outreach to other implementation partners. The Executive Director provides regular updates on issues of interest to all facets of the Water Forum (Plenary, caucuses, relevant members, Coordinating Committee, etc.).
- The River Corridor Health Program Manager is the lead in implementing a comprehensive habitat enhancement and science program for the Water Forum. These responsibilities include a range of activities, including technical oversight of design, permitting, construction/implementation, and monitoring of habitat projects; oversight of science and monitoring programs; development and execution of grant applications and funding; engagement with local, state, and federal agencies on external activities; and implementation of public outreach related to habitat projects. Additionally, the position serves as the lead on special internal and external projects to ensure consistency with the Water Forum's efforts.
- The Water Resources Senior Engineer is the lead for several core areas of the Water Forum's programs including Flows and Operations, the FMS, engagement with state and federal agencies on regulatory processes (e.g., re-consultation of the Long-Term BiOp and the SWRCB Water Quality Control Plan update/Voluntary Agreement process), Surface Water, Groundwater, and ARCAP, other elements of WF2050. The role requires a high level of technical fluency to direct analysis (e.g., temperature modeling, climate change

modeling) as well as excellent communication skills to translate findings and facilitate discussions with a diverse group of interested parties.

Program Elements—Water Forum Standing Committees and Working Groups

The Water Forum utilizes standing committees and working groups to facilitate the achievement of WF2050's program elements and annual priorities. Standing committees have a specific focus and work plan aligned with a major program area. For example, the Flows and Operations Cross-Caucus Committee, described below, focuses on critical technical and operational issues that affect the American River during the water year. Water Forum signatory member representatives who serve on committees and working groups serve as effective conduits to their respective caucuses. They provide perspectives from their respective caucuses and serve to gather input and share information back to their caucuses. Committee and working group members serve as either representatives of their respective caucuses and/or their organizations, as specified.

11. Coordinating Committee

Purpose: The Coordinating Committee provides fiscal oversight and guidance for the Water Forum staff. This includes working closely with the Executive Director on the annual budget process and recommending a proposed budget to the Water Forum Plenary for approval. In doing so, the Coordinating Committee provides input on annual priorities and work plans, consistent with the priorities of the Plenary. The Coordinating Committee also considers recommendations and suggestions from the caucuses, standing committees, and working groups for inclusion in the proposed budget and when developing recommendations for Plenary consideration. Coordinating Committee members are expected to provide guidance informed by and consistent with their respective Caucus's input.

The Coordinating Committee provides oversight and input into Water Forum strategic communications, on behalf of the Plenary. At the request of the Executive Director and any affected signatory (if relevant), the Coordinating Committee will review public information releases, Water Forum comment letters, and endorsements prior to their release. The Coordinating Committee will include in its deliberations any affected Water Forum members to get their input on any relevant communication. The Coordinating Committee, at the request of the Executive Director, will review Plenary meeting agendas, draft standing committee and working group charters, and other staff-generated documents to be provided to Plenary members or directly to the general public.

The Coordinating Committee is responsible for discussing (e.g., identifying additional information needs, etc.) and forwarding to the Plenary for its consideration any formal requests to amend WF2050. This process is further described in the Administration Program Elements.

The Coordinating Committee, in conjunction with the City of Sacramento and with input from their respective caucuses, will contribute to the hiring and evaluation of the Executive Director, similar to the role of an executive committee or board. For example, the Coordinating

Committee will contribute to an annual review. The exact format for providing input is to be determined in discussion with the City of Sacramento to ensure consistency with Human Resources policies and procedures. The Executive Director reports to the Director of the City of Sacramento Department of Utilities or their designee.

The Coordinating Committee is responsible for accepting feedback from signatories of the Water Forum. This input will help inform priorities in the Water Forum's annual work plan.

Composition: The Coordinating Committee comprises two representatives from each of the four caucuses and the Executive Director. These representatives are chosen by their respective caucuses. The format for Coordinating Committee meetings – whether open or closed to observers - will be determined by the committee members, with a preference for openness. This discretion allows representatives to discuss and consider sensitive topics as needed (e.g., legal or personnel matters), and to seek input from funders or other stakeholders on topics when appropriate.

Roles and Responsibilities: Coordinating Committee members will be responsible for sharing items that are ready for discussion beyond the Coordinating Committee with their respective caucus and for bringing the perspective of their caucus to the Coordinating Committee. Coordinating Committee agendas will be shared with all caucuses in advance to identify relevant caucus interests and if others should participate in pending/upcoming discussions, and a standing agenda item will be added to each caucus's monthly agenda to debrief the most recent Coordinating Committee meeting.

Meeting Schedule: The Coordinating Committee will meet monthly or as needed.

The Plenary will assess the effectiveness of measures to address the Coordinating Committee's transparency and accountability following the first year of implementation of this agreement.

12. Flows and Operations Cross-Caucus Committee

Purpose: The Flows and Operations Cross-Caucus Committee (Flows & Ops) enables Water Forum members to coordinate with Water Forum staff on issues related to the operations of Folsom Reservoir and implementation of the Modified FMS. Activities include dialogue to develop a recommended approach to current and forecasted reservoir operations and strategize for regional watershed and dam management advocacy. The approach will be informed by the best available and current data, including forecasts, reservoir operations, and flows on the LAR. In their meetings with Reclamation and other regulatory agencies, Water Forum staff will advocate for the position developed by the Flows & Ops Cross-Caucus representatives. Representatives are often attending primarily on behalf of their organizations, but will indicate when they are taking a caucus-based interest in a topic.

Flows and Ops meetings will also include reporting on the UIFR, as well as pertinent Water Forum and/or member actions.

Composition: Flows & Ops is open to any interested Water Forum member who has knowledge and interest in the real-time flows and operations of the LAR. Each caucus will inform the Executive Director of members who wish to be kept informed about Flows & Ops meetings and work.

Roles and Responsibilities: The focus of Flows & Ops will be on implementing the FMS within the relevant regulatory framework.

Meeting Schedule: The frequency of the Flows & Ops meetings will depend on the needs of the given water year and could range from monthly to weekly (drought years will likely require heightened levels of coordination as compared to wetter years).

13. American River Corridor Health Cross-Caucus Committee

Purpose: A standing group to inform the Water Forum members regarding prioritization of proposed projects, performance of implemented projects, and overall River Corridor Health programs. Water Forum members will have an opportunity to seek clarity on the approach and to provide input and guidance on program direction. Key information shared and discussed with the ARCH Cross-Caucus will also be reported out to the Plenary on an annual basis.

Composition: Representatives from each Water Forum caucus, Water Forum staff, and technical consultants who are subject matter experts, temporarily, depending upon the subject and need. The ARCH Cross-Caucus will be chaired by the Executive Director, in coordination with the Water Forum's technical staff and consultants.

Roles and Responsibilities: The ARCH Cross-Caucus will provide input and guidance for the ARCH program area.

Meeting Schedule: The ARCH Cross Caucus will meet at least semi-annually, including to inform ARCH-related elements to be included in the annual work plan. The ARCH Cross-Caucus may schedule meetings as needed. All meetings will be open to observation by Water Forum members and will be hybrid meetings, allowing participants to observe remotely.

14. American River Climate Adaptation Program Working Group

Purpose: This working group will inform and guide the activities of the ARCAP.

Composition: The working group will be co-convened with the Water Forum and RWA, will include two members from each caucus as primary representatives, and will be open to all Water Forum members

Roles and Responsibilities: Working group primaries will commit to making reasonable efforts to attend all working group meetings and to review related materials prior to the meetings. The primaries will also be expected to act as representatives of their caucuses by reporting ARCAP progress to the caucus and providing feedback to the Working Group on matters affecting the caucus. The ARCAP working group will be tasked with:

- Reviewing and commenting on work products
- Providing input on program direction, scope, and pace
- Deliberating, refining, and providing answers to ARCAP Questions

The Working Group decisions and recommendations will be developed by consensus and will be presented to the Plenary for approval.

Meeting Schedule: Meetings will be held monthly and supported by facilitation staff, with the option of additional meetings as necessary.

15. Process for Establishing New Standing or Ad-Hoc Committees

The action to initiate the formation of a new standing committee, ad-hoc committee, or working group can be initiated by the Executive Director, a caucus or caucuses, a member representative or organization, or the Plenary. The need for a new committee or working group can stem from a significant change in circumstances, resource or programmatic constraints, a need for the application of adaptive management, or other significant changes that are not being addressed by the Water Forum's current structure.

The first step in establishing a new committee or working group is to develop a Charter. The Charter identifies the problem or issue to be addressed, why the problem or issue cannot be effectively addressed within the Water Forum's current structure, and how the needed resources and expertise will be applied from within the Water Forum's existing resources. The individual or Caucus initiating the Charter will work with the Executive Director to prepare the draft document.

The draft Charter is circulated among the caucuses and the Coordinating Committee for review and discussion. Comments are reviewed and consolidated into a final draft, which the Coordinating Committee then reviews for any budgetary or programmatic considerations before being sent to the Plenary for discussion and action.

Program Elements–Decision-Making

Members of the Water Forum will continue to use the same collaborative form of decision-making used in the Water Forum since its inception. This collaborative process respects both the diversity and the legitimacy of the interests of all participants and is grounded in the Guiding Principles outlined above. The steps below will guide the Water Forum's ongoing decision-making process, any disputes that arise among members, and any efforts to change or amend WF2050.

16. Decision-Making Process

- The Water Forum is a consensus-based organization.
- The caucuses are encouraged to seek consensus to facilitate effective decision-making at the Plenary.

- The Plenary is the main decision-making body of the Water Forum and always strives for consensus, meaning all signatories are able to support a particular policy or decision under discussion. (Since its inception, the Plenary has reached a consensus on all decisions.) However, if, after full exploration and discussion of an issue or set of issues, the Plenary cannot come to a consensus agreement, the following process will be used:
 - If one or more Signatory Representative(s) disagree with the majority of Signatory Representatives in the Plenary, this member may choose to “stand aside” and let the Plenary reach consensus without them. Within the Water Forum, this is still considered a consensus.
 - If the Signatory Representative(s) who disagree with the rest of the Plenary cannot “stand aside,” then the “75% rule” will prevail. The 75% rule requires that 75% of the signatory organizations from each Caucus support a proposal for it to be considered a formal action of the Water Forum. The 75% consists of those signatory organizations present and voting within each caucus (primary or alternate Representative) or, in the event that neither the primary nor alternate is present, represented by a proxy (another member organization within the same caucus is granted permission by the absent organization to vote on its behalf).

Consideration of suggested revisions to WF2050 is subject to the above decision-making process, but WF2050 itself cannot be changed or modified without the expressed approval and consent of the signatories whose interests would be affected by the change (see section below on Changed Conditions and Amendments to the Agreement for more detail).

- Designated Signatory Representatives may identify alternates to participate on their behalf in Water Forum meetings or Plenary sessions in instances of unavoidable absences. However, it remains the responsibility of each Designated Signatory Representative to make the necessary time available to attend all Water Forum meetings and Plenary sessions as well as the various group and committee meetings, as appropriate.
- Plenary Meetings of all Signatory Representatives will be held periodically throughout the year and are open to all Water Forum participants. Specifics on meeting frequency are included in the Water Forum Plenary Program Element.
- The Plenary shall, as necessary, appoint teams of Signatory Representatives to meet on a routine and/or ad hoc basis to: foster implementation of WF2050; finalize procedural agreements (if drafted); develop “trial balloons” regarding changed conditions; and propose options—for subsequent Plenary consideration—to resolve disagreements related to differing interpretations of WF2050. These teams shall use the interest-based collaborative decision-making process described above.

17. Dispute Resolution

A major function of a collaborative process, and a tenet of the Water Forum Way, is to prevent disagreements from escalating into full-fledged disputes. With proper facilitation and communication, most potential disputes can be resolved. However, no matter how sophisticated a collaborative process may be, disputes will inevitably arise. Some may arise out of the interpretation of specific provisions of WF2050. Others may result from concerns about non-compliance or differing interpretations of the terms of WF2050.

It is essential that interested parties refrain from resorting to litigation as a first response to every perceived problem or transgression that falls within the purview of WF2050. Lawsuits can quickly destabilize the collaborative process, potentially returning all Water Forum participants to gridlock. Therefore, while not waiving any of their legal rights, all organizations represented in WF2050 agree to initiate alternative dispute resolution procedures, including mediation, before pursuing litigation.

Program Elements—Representing the Water Forum Externally

While the heart of the Water Forum's work is centered on communication and collaboration among its members and four caucuses, the nature of the Water Forum's work requires frequent interaction with a range of external parties, including state and federal agencies, the media, and others.

The Water Forum, in the course of its regular work, implements a robust communications strategy that calls for a range of methods to reach a diverse audience. Typical Water Forum communication products include publications such as the annual plan and the Five-Year Status Report, which communicate the Water Forum's progress, priorities, and upcoming actions to external audiences. In addition, the Water Forum maintains a presence on social media platforms. The annual communication strategy as well as periodic reports will be developed in close collaboration with the Coordinating Committee and approved by the Plenary before public release.

Additionally, the Water Forum undertakes a robust outreach and engagement effort to support the habitat enhancement work, as outlined in the American River Corridor Health program area. This work, which provides critical habitat for salmonids, must also consider the other uses and values of the American River Parkway. For example, the Water Forum habitat team is conscientious as to how its work impacts neighborhoods, river access, and perceptions of enhancement projects. The Water Forum accomplishes this through project-specific outreach, as well as general outreach at venues such as the Lower American River Task Force (LARTF) meetings and engagement with organizations working along the river. (See River Corridor Health for additional information)

The Program Elements below are intended to set expectations and procedures for ensuring the Water Forum is represented externally in a transparent way, informed by its membership, and

consistent with key aspects of the Water Forum Way, most notably the importance of clear communication and “no surprises.” They also address the mechanisms the Water Forum will use to ensure its deliberations are informed by external parties affected by the Water Forum.

18. Role of Water Forum Members

Water Forum members have the responsibility of coordinating with the Executive Director on external communications that mention or attribute work to the Water Forum, including educational material, media releases, or public presentations, to ensure consistent and accurate representation. This responsibility is carried out by members during interactions with one another and the Water Forum staff, and is practiced through Water Forum meetings (see Member Responsibilities on Page 74).

19. Role of Executive Director

The Executive Director serves as the primary external representative of the Water Forum. The Executive Director uses their discretion in representing Water Forum activities, policies, and perspectives with external groups and in public settings, as well as building and strengthening relationships with external partners to the benefit of the organization.

Working with Water Forum members and caucuses, the Executive Director will also seek to identify and foster outreach to and connections with a diverse set of potentially affected parties to ensure (1) they are aware of Water Forum activities, and (2) that their perspectives inform relevant Water Forum discussions. These efforts could range from conversations within established venues, such as conferences, to one-on-one engagements and focus groups.

Note: The role of the Executive Director relative to internal communications within and across staff and Water Forum members is discussed on Page 80.

20. Role of the Coordinating Committee

The Coordinating Committee serves an important role in reviewing external communication materials (e.g., media statements, press releases, letters, etc.) to ensure consistent messaging that balances the interests of all four caucuses. The level of review and involvement depends on the product, topic, and level of controversy, but as a part of the regular work of the Water Forum, the Executive Director will engage with the Coordinating Committee and any potentially affected members on the following:

- Consult in the development of proposed external messages that represent the Water Forum to the public, including news and print media, social media, video, signage, brochures, educational materials, and website content prior to release.
- Confirm proposed external messages that represent the Water Forum in special settings, such as conferences, meetings with elected officials, or state or local agencies, prior to representing the organization’s interest or position on sensitive issues.

- Review and refine comment letters on behalf of the organization, or to form cross-caucus working groups as needed to engage in complex or sensitive topics (e.g., re-consultation of the BiOp) that require a public statement (see additional detail in the section below).
- Coordinate with individual Water Forum members and caucuses regarding external discussions on issues that may be relevant or important to those entities.

Recognizing the unique relationship the Water Forum has with the City of Sacramento, the Executive Director (in collaboration with the Coordinating Committee) will maintain close contact with the City of Sacramento on sensitive legal and administrative issues.

21. Requests for Engagement or Support

There may be times when the Water Forum is asked to engage in formal or informal discussions directly with various external partners or asked to endorse or provide input on a specific issue. These requests may come with different timeframes (e.g., a request requiring immediate response versus those that come with weeks or months of lead time) or in different formats (e.g., a written statement, letter, or oral testimony). Requests may be generated by a member or non-member, as well as from Water Forum staff.

The sensitivity of the requests will also likely vary, generally falling under one of two categories:

1. Requests with strong member concurrence

This type of request includes subjects that fall under the purview of the Water Forum or are consistent with WF2050 and are non-controversial. For example, a request by a Water Forum member to send a letter to the editor of a newspaper extending support for an action or project that is consistent with WF2050 (e.g., Folsom storage levels), and the statement can be issued with support from all interests.

The Executive Director, in discussion with the Coordinating Committee and affected Water Forum members, determines a path for addressing the request based on timing/urgency and level of concurrence or divergence, as follows:

- The requestor meets with the Executive Director to provide details on the requested action, including the timeframe, format, and duration of engagement. The Executive Director meets with Water Forum member(s) most affected or involved in the issue to discuss the Water Forum's response in light of WF2050.
- The Executive Director responds and proposes an approach to the Coordinating Committee and any affected members, and then implements the action.
- The Coordinating Committee members inform the caucuses at the next regularly scheduled meeting, and action is then reported on at the next regularly scheduled Plenary meeting.

2. Requests with low member concurrence or that are controversial

This type of request includes subjects that may or may not be consistent with WF2050 or have the potential to be highly controversial due to the level of interest outside of the Water Forum. For example, being asked to submit testimony to, or negotiate with, state or federal regulatory agencies on issues that may affect the coequal objectives but are not in WF2050 (e.g., litigation). These requests often have a longer time frame for response and engagement.

The Executive Director, in discussion with the Coordinating Committee and affected Water Forum members, determines a path for addressing the request based on timing/urgency and level of concurrence or divergence, as follows:

- The Executive Director meets with the Coordinating Committee and the member(s) most affected or involved in the issue to coordinate and discuss the Water Forum's concerns and position in light of WF2050 and the coequal objectives.
- The Executive Director develops an issue memo that lays out:
 - purpose of the request and the interested parties
 - recommended engagement to respond to the request
 - ground rules and guideposts for the response
 - outcome being sought
 - areas that are not to be engaged in/negotiated
- The Executive Director will consult with the Coordinating Committee (and any affected members) on the issue memo, who will then coordinate its review by and feedback from the caucuses. All feedback will be shared with the Executive Director, who will coordinate the completion of the issue memo with the author(s).
- Once completed, the Coordinating Committee will redistribute the memo to the caucuses and schedule the issue memo for discussion at a Plenary meeting, where the appropriate individuals will present the issue to the Plenary for discussion and resolution.
- Once the engagement begins, the Executive Director and/or the individual(s) leading the Water Forum engagement will provide updates as warranted to the Coordinating Committee, affected members, and the Plenary.
- As engagement progresses, changes in circumstances may arise that warrant adjustments to the Water Forum response. Changes will be brought back to the Coordinating Committee, caucuses, and, when appropriate and consistent with the commitment to disclosures as described elsewhere in this document, to the Plenary for agreement and authorization to adopt them into the Water Forum's response.
- The Water Forum may also ultimately not respond to or decline the request for engagement.

22. Cross-Learning Among Water Forum Members

Water Forum members routinely engage in outreach activities with their various constituencies. As a result, they have each developed practices and approaches that can inform engagement strategies aimed at furthering the Water Forum's coequal objectives. These can include mechanisms for effectively sharing technically dense information, communicating complex or controversial funding and budgetary needs, and reaching out to traditionally underrepresented or hard-to-reach communities and interested parties, among others.

Given this expertise, Water Forum members are encouraged to share these approaches with one another and create spaces for mutual learning. Water Forum members are also encouraged to partner with one another and Water Forum staff to deepen the effectiveness of outreach and engagement strategies.

Program Elements–Implementation Partners

The Water Forum's work towards achieving the coequal objectives demands consistent cooperation and collaboration among its members. While much of this work is accomplished through the informal or ongoing efforts of staff and members, it is anticipated that, due to the integrated nature of many governmental and non-governmental organizations, there are opportunities for more formal partnerships or agreements.

To that end, the Water Forum's governance structure acknowledges the need for “implementing agreements” with other entities that work on and have influence over LAR conditions and activities related to, and/or furthering, the coequal objectives. Implementing agreements are intended to be consistent with WF2050 and provide more detail regarding the roles and responsibilities of the Water Forum in relation to our partners. Implementing agreements can be crafted between the Water Forum and its members, or between the Water Forum and non-members, such as state and federal partners like DWR, Reclamation, and USACE.

Implementing agreements can be developed, reviewed, and updated on a case-by-case basis. Due to the wide range of activities covered by Water Forum members or partners, the structure of any implementing agreement is unique to the issues or topic and can change over time. For example, the Water Forum has an implementing agreement with Reclamation (2021) to inform operations at Folsom Dam. At the time of execution of this Agreement, the Water Forum also has an MOU with the City of Sacramento Department of Utilities that outlines roles and responsibilities for fiscal and administrative services.

The Water Forum will use the process below to introduce, consider, and enter into any formal agreements with other entities:

- Any Water Forum member, Water Forum staff, or third-party entity may suggest the need for an implementing agreement with another Water Forum member or external entity. This expression of need should include a brief description of the need for and structure of the

intended partnership, highlighting the benefit to the Water Forum’s coequal objectives and any resource obligations (staffing, funding, etc.). This description should be submitted to the Water Forum Executive Director.

- Once received, the Executive Director first refers the proposal to the caucuses and any relevant committees for discussion. Caucuses and committees are encouraged to consider both benefits and concerns, identify any additional information needs, and indicate, as warranted, whether the proposed partner agreement is necessary.
- Once the caucuses and committees have had an opportunity to consider the proposal, the request is forwarded to the Coordinating Committee for its discussion. The Coordinating Committee will draw on input from the caucuses and committees to develop a recommendation for consideration by the Plenary.
- The Coordinating Committee is to forward all requests on to the Plenary for its consideration. The Coordinating Committee may, at its discretion, offer an accompanying recommendation to adopt, modify, or reject the agreement. It may also forward it on to the Plenary without any recommendation.
- The Plenary will consider the request and make a final determination in accordance with its decision-making protocols, as described elsewhere in this agreement.

Any agreements developed will be included in the administrative record of the Water Forum (or appended to WF2050) and will be available upon request. The City of Sacramento is the legal entity that enters into agreements on behalf of the Water Forum.

Program Elements–Community Outreach and Engagement

The Guiding Principles in this section emphasize the importance of implementing WF2050 in a manner that encompasses the breadth of perspectives in the region, engages with communities and individuals not typically involved, and fully considers how WF2050 and its work to further the coequal objectives may impact all communities and constituencies. The best way to accomplish this is to have representation from underserved and historically underrepresented community members on the Water Forum. This emphasis on outreach, engagement, and transparency is important not just in the context of the governance and administration of the Water Forum but should be viewed as an integral part of the Water Forum Way.

Water Forum will work to better understand and will provide learning and engagement opportunities related to:

- Human dimensions of resource management on the American River
- Water affordability and related best practices
- Underrepresented communities’ ability to engage with and relate to the work of the Water Forum

To that end, the Water Forum will apply methodologies to help inform its full range of implementation activities, guiding our work to meaningfully reflect the Water Forum's commitment to the Sacramento region. While specific approaches will vary from program to program, implementation activities should consider the following issues:

- How outreach is being carried out to ensure people from historically underrepresented groups are made aware of Water Forum activities (e.g., tribes and economically disadvantaged communities, among others)
- How and when input is being gathered to help overcome barriers to meaningful participation (e.g., time of day, location, unseen costs, etc.)
- How the Water Forum can evaluate, (1) how its actions are perceived and/or impact groups across the region, and (2) how the legacy of non-participation by historically underrepresented groups may be improved through Water Forum implementation when appropriate

In addition to these important yet more general practices, the Water Forum and its members participate in various initiatives that can help foster broad participation within all communities affected by the coequal objectives. These efforts can include access to our region's natural resources, education about the LAR, and support for the affordability of our drinking water. These efforts can be continued and strengthened under the WF2050 framework.

- **American River Corridor Health and Access** – The Water Forum recognizes that its habitat enhancement work along the American River corridor, in furtherance of the coequal objectives, has the potential to affect historically underrepresented communities. The Water Forum is aware of and will continue to work to understand these conditions, from fire risk and waste management, to safety, pollution, river access and use, and other human dimensions of resource management. Recognizing these complexities and with the leadership of the Public Caucus, the Water Forum will work to draw in speakers and members able to bring this vantage point to Water Forum discussions.
- **Water Affordability** – The Water Forum recognizes there is a potential nexus between its members' commitments and water affordability. Considering this, Water Forum members commit to fostering an ongoing series of dialogues and joint learning sessions as part of the implementation of WF2050 to better understand this connection, and, as appropriate, identify relevant best practices that have the potential to contribute to achieving the Water Forum's coequal objectives while accounting for affordability concerns. Signatories are committed to exploring this topic while acknowledging that rate-setting rests within the purview of each water purveyor's governing body and applicable laws.
- **Education** – Under the leadership of the Public Caucus, the Water Forum will engage with underrepresented communities to, (1) understand how the coequal objectives resonate with, address and/or impact these communities' needs and priorities, (2) improve public

participation processes, and (3) identify opportunities to implement WF2050 in a way that accounts for people having different access to resources due to systemic inequities. This will focus primarily on Water Forum-led activities, but can also include members sharing guidance with one another on strategies they can undertake to deepen their public participation processes.

The Water Forum recognizes that its work to meet the interests of the broader community is an ongoing effort and welcomes feedback on how it can engage more effectively with communities across the region as it pursues its coequal objectives.

FUNDING

The Water Forum's governance, finance, and administration will be transparent and collaborative in nature. The operation and funding of the Water Forum require a significant commitment of time and money by interested parties to promote and carry out stewardship of our watershed's resources. The administration of the Water Forum's various initiatives, along with its large group of signatories and interested parties, requires a dedicated and consistent effort to make progress toward achieving the coequal objectives.

Guiding Principles

The principles outlined below shape the Water Forum's approach to budgeting and funding its activities, and are intended to create a foundation for equitable and sustainable funding and budgeting throughout the life of this agreement.

1. Finance Mechanisms

Effective Water Forum governance must provide a clear and reliable financial mechanism to generate the necessary funding, as well as a transparent and inclusive process for identifying and confirming funding sources.

2. Diverse Funding Sources

Water Forum activities are to be funded through a mix of water purveyor contributions, state and/or federal grants, and in-kind contributions of non-monetary support for Water Forum initiatives, including advocacy, public outreach, in-kind contributions of time, etc. The Water Forum will continue to pursue diverse forms of funding and is open to funding contributions from all caucuses.

3. Commitment to Affordability and Cost-Effectiveness of Actions

When considering program areas and priorities, the Water Forum is committed to understanding the cost-effectiveness and affordability of its actions. The Water Forum further acknowledges that while programs and activities are funded through a range of sources, they are primarily funded through local ratepayers, and we have a responsibility to provide clear benefits to those ratepayers and the broader public.

4. Financially Viable and Effective

The Water Forum strives to establish a budget and funding mechanism that balances the meaningful and ongoing pursuit of its coequal objectives with the limited financial capacity of its funding members. To that end, the Plenary sets annual priorities that are consistent with both the Water Forum's objectives and available budget resources.

5. Differential Abilities to Pay

The Water Forum recognizes that its members, both within and across caucuses, have varying abilities to contribute to Water Forum funding. The Water Forum budget and funding allocation approach is structured to account for these differences. All members are expected to contribute,

at a minimum, substantial in-kind effort through participation in a range of committees, Plenary meetings, and activities.

6. Ongoing Budgetary Review

Each year, the Water Forum shall undertake a thorough review of progress to date and update its annual work plan based on funding needs and the expected contributions of funders. Any increase or decrease to the annual budget requires a consensus among all caucuses and agreement by those agencies providing Water Forum funding.

7. Long-term Budgetary Planning

The Water Forum recognizes that pursuing its coequal objectives requires longer-term budgeting and financing commitments. To that end, while Water Forum budgets must be approved annually by both its funders and the Plenary, the Water Forum will undertake longer-term budgetary planning to provide greater clarity and certainty to both funders and the Water Forum's programmatic long-range planning. It will also consider base funding from sources other than ratepayers.

8. Augmenting Water Forum Member Funding

The Water Forum strives to augment annual contributions from its funders with grant funding from federal, state, and other sources that will further contribute toward its mission to advance the coequal objectives. Such grant applications, prepared by the Water Forum, must be approved by resolution of the Sacramento City Council. The City of Sacramento would be the formal grant applicant.

9. Importance of Maintaining a Reserve Fund

The Water Forum recognizes that costs and funding may fluctuate from year to year. To maintain a consistent program across uneven funding years, the Water Forum is committed to building and maintaining a reserve fund equal to 120 days of working capital. The Water Forum reserve fund will be managed in accordance with relevant policies and best practices per the City of Sacramento.

10. Program Fund Accounts

The Water Forum's program funds include the WFSE, HME, and grants, keeping outside funding separate from Water Forum member contributions. The WFSE and HME fund expenses are tracked separately to maintain budgetary transparency for these two distinct functions. Similarly, outside grant funds or potential Healthy Rivers and Landscape Program funds will also be separately accounted for and budgeted. Additional funds accounting approaches may be applied as funding sources / other requirements dictate. The HME fund shall have a cap; if and when that cap is reached, funders will not be assessed additional HME funds until the balance drops below the cap level.

Program Elements

1. Water Forum Budget

As an entity within the City of Sacramento's administration with a July through June fiscal year, the Water Forum budget also operates on a July through June fiscal year. The Water Forum budget will be approved by the Plenary as described below, and the associated funding contributions are expected to be approved by the funding agency governing boards and councils no later than May.

Below is a description of the process for developing and approving annual budgets as part of the WF2050 Agreement.

Budget Description

The annual budget, prepared by the Executive Director, will include, but not be limited to, the following elements:

- Clear linkages to annual and multi-year work plans
- Delineation of costs associated with staff, consultants, direct expenses, contingencies, etc.
- Status of the Water Forum reserve fund
- A report on prior year expenditures (actuals)
- A report on the status of local, state, and federal grants
- Highlight budget items tied to Interagency agreements or contracts between the Water Forum and signatories

The budget is to be developed with the assistance of the City of Sacramento Department of Utilities' finance staff, consistent with the Water Forum-Department of Utilities MOU (**refer to Appendix 10: Water Forum and Department of Utilities MOU**).

Water Forum Budget Process and Schedule

The Executive Director will annually develop a proposed budget, which the Coordinating Committee will review and approve. As part of its review, the Coordinating Committee will engage with Water Forum funders (water purveyors with PSAs, implementing agencies, and flat fee agencies) to ensure the proposed budget and work plan are consistent with funders' anticipated contributions. A final proposed budget will be shared with and must ultimately be approved by the Plenary.

The Water Forum annual budget will be developed each year using the following fiscal year (July 1 to June 30) schedule:

- **September – November:** Internal budget development for future fiscal year by Water Forum staff based on review of operating budget and actual expenditures, Water Forum

priorities (set by the Plenary), annual work plan including upcoming project costs and staffing needs, reserve fund status, and anticipated revenue (funder contributions and grants). Executive Director reviews first and subsequent drafts of the future fiscal year budget with the Coordinating Committee.

- **November – December:** Executive Director meets with the Water Caucus (with expanded participation, as needed, to bring in any non-Water Caucus funders) to review and confirm consistency with funders' funding abilities and commitments. The Executive Director collaborates with the Coordinating Committee (in consultation with interested funders) to resolve any outstanding funding and budgetary issues before submitting the budget to the Plenary for consideration and approval.
- **January – February:** Executive Director presents proposed draft for future fiscal year budget to the Plenary for its review and approval. This budget is accompanied by a memo that details the proposed budget, expenses, and the status of the reserve fund. Member agency contributions are calculated in January to allow for inclusion in annual member agency budgeting processes. Plenary identifies if there is any opposition to proceeding with the budget. As needed, the Executive Director, in consultation with the Coordinating Committee and interested funding members, revises the budget based on Plenary discussions and direction.
- **February – May:** Interagency funding agreements are signed, with final approval from the City of Sacramento Council for the upcoming fiscal year.

Budget Oversight Process

The Water Forum will establish a transparent budget oversight process, including the following reports, to foster effective use and tracking of Water Forum spending:

- **August:** Publish an annual implementation report card. Review the prior year's accomplishments and identify any uncompleted priorities with the Plenary.
- **August-September:** Provide a standard budget report (spreadsheet) to the Coordinating Committee detailing prior fiscal year actual expenditures and remaining balance in reserve funds.
- **October:** Provide a standard budget report (spreadsheet) to the Coordinating Committee on the first quarter (July-September) actuals.
- **January:** Provide a standard budget report (spreadsheet) to the Coordinating Committee on second quarter (October-December) actuals.
- **April:** Provide a standard budget report (spreadsheet) to the Coordinating Committee on the third quarter (January-March) actuals.

Prior to completion of the first year following the signing of WF2050, the Water Forum shall undertake a careful review of progress to date and shall revise the work plan considering existing circumstances. The annual budget and contributions may be revised at that time. Any increase or decrease to the first-year budget would require a consensus among all interest groups and agreement by funding agencies.

Use of Consultants

Consultants shall be used only as needed. Identification and approval of actual expenditures for specific consultant contracts shall be part of the Water Forum budget process. If consultant contract funds or funds allocated for consultant contracts in a given fiscal year are not spent prior to the end of that year or encumbered for future expenditure, the Water Forum shall modify the following year's budget appropriately. To the extent that there is a need for consultant services not anticipated in the annual budget, such services can be allowed, provided there is an adequate budget (e.g., savings from another line item) and with the concurrence of the Coordinating Committee.

Reserve Fund

To ensure the Water Forum's ongoing fiscally sound financial management and to adequately provide for unforeseen circumstances such as economic uncertainties, loss of significant revenue sources, grant match requirements, and grant monitoring as required, a Reserve Fund will be established with a target level equivalent to 120 days of working capital.

Budgets: Year 1 Budget and 5-year Look Ahead

To estimate the actual cost of the Water Forum's work and foster long-term planning by its staff, members, and funders, the Water Forum is committed to producing a five-year look-ahead as part of its Five-Year Status Report. While the look-ahead is non-binding, members and funders will use these projections to identify and secure the necessary resources and shape the work of the Water Forum. The initial five-year look-ahead (2025-2030) is provided in **Appendix 11**. Fiscal Year 2025-2026 budget components include proposed expenditures, a summary of projected funding sources, the HME Cost Share Projection, and the WFSE Cost Share. The Fiscal Year 2025-2026 budget totaled \$1,973,140 and is included in **Appendix 11**. All signatories have reviewed and agreed to this five-year look-ahead and associated budget.

2. Water Forum Funding

As part of their commitment to investing in a reliable water supply and a healthy LAR ecosystem, Water Forum member water purveyors and other funders voluntarily enter into an annual funding agreement that stipulates funding levels for the Water Forum, based on the negotiated Cost Allocation Method. This Cost Allocation Method is included as **Appendix 12** and describes the funding allocation methodology in detail.

Description of Funding Methodology and Other Sources

The Water Forum will draw on a range of sources to fund its annual budget. These sources include both member funding and resources provided by outside entities. It also includes both direct funding and in-kind support.

The funding allocation methodology intends to equitably share the costs of the Water Forum programs in furtherance of the coequal objectives. The current (2025) version of the cost allocation model is included as **Appendix 12**. This model will be updated at five-year intervals and will be subject to approval solely by the funding agencies listed in the model. It should be noted that this cost allocation assumes that all the purveyors identified in **Table 2** in **Appendix 12** will sign WF2050. If fewer funders sign WF2050, the percentages of the costs allocated to the other funders that do sign will increase.

Below is an overview of the agreed-upon funding sources and cost-allocation methodologies.

- **Purveyor Specific Agreements:** Purveyors with PSAs provide funding based on the formula described in the cost allocation model (see Appendix 12), which was developed and unanimously agreed to by the purveyors, and as reflected in the annual funding agreement.
- **Implementing agencies:** Implementing agencies provide funding based on a set-fee model. These fees are set by mutual agreement between the implementing agency and the Water Forum and will be included in the Water Forum's budgets as agreements are made. Sacramento County, SMUD, EDWA, and SAFCA have contributed in this manner historically and are expected to continue doing so.
- **Grants:** The Water Forum receives extensive grant funding from federal, state, and other sources to support its work on the ARCH Program Area and may include other Program Areas in the future. The total grant funding varies from year to year and is outlined in the annual budget.
- **In-Kind Donations:** Significant resources are donated on behalf of Water Forum member organizations through the participation of their staff and members in various Water Forum activities and committees. In-kind donations are not reflected in the budget or funding allocation.

Except for grant funding that is earmarked for specific projects and purposes, all other funding provided to the Water Forum is collected as a general contribution. Funding is pooled across all these sources and then allocated to either the WFSE or the HME program based on the annual budget need, or to the Reserve Fund.

The process to amend the funding structure described above will follow the “Changed Conditions and Amendments to the Agreement” section outlined elsewhere in this document.

3. Five-Year Review

As described elsewhere in this agreement, the Water Forum will comprehensively review progress made toward achieving the coequal objectives every five years. The results of this review will assist in the development of the next five-year plan, revising the annual work plan, and adjusting the current budget and activities to reflect successes and failures revealed by the review.

ADMINISTRATION

Guiding Principles

1. Authority and Accountability

Water Forum governance should clearly articulate lines of authority and accountability among all parties to the Agreement. This accountability is intended to cover all aspects of the Water Forum work, including but not limited to: members to members; members and staff to one another; members and staff to the Water Forum mission and agreed-upon actions and priorities; and the Water Forum to the affected public.

2. Tracking Progress

Understanding, tracking, and reporting on the Water Forum's progress are essential to supporting the coequal objectives, as well as fostering thoughtful consideration of any necessary changes in its work and approach throughout the life of the Agreement. To that end, Water Forum governance should include clear metrics, benchmarks, and an agreed-upon process to ensure that Water Forum members and staff can track and, as needed, adapt its work related to the following:

- Water Forum-led projects and actions are intended to support Water Forum's coequal objectives.
- Water Forum member-led projects are intended to support the Water Forum's coequal objectives.
- A comprehensive understanding of both river health and water supply reliability

Program Elements

1. Administrative Structure

The Water Forum will continue to be administered under the auspices of the City of Sacramento. Staff will be either employees or contractors of the City of Sacramento, and all administrative responsibilities related to such employees or contractors will continue to be handled by the City. This arrangement will:

- Ensure continuity between WF2050 and the priorities of the Water Forum
- Preserve existing technical expertise
- Avoid creating another redundant government entity

WF2050 is made binding and enforceable through the execution of three agreements: the MOU for the Water Forum 2050 Agreement (this document, signed by all entities choosing to be Water Forum members); the annual Funding Agreements (which, consistent with the funding principles set forth above, are executed by the entities making payments to support the work of the Water Forum); and the Interagency Agreement for the Administration and Management of the Water

Forum (also signed by funding members, **see Appendix 13**). Together, these agreements will contain provisions to continue the Water Forum organization. All parties that sign the MOU will become full participants in the Water Forum. It is important to note that:

- All signatories to WF2050 will have equal standing in the Water Forum, regardless of whether they are a public agency, an investor-owned utility, or a community interest or advocacy organization.
- Although Water Forum staff will be employees or contractors of the City of Sacramento, the WF2050 signatories will provide overall policy direction for the work of staff.

2. Changed Conditions and Amendments to the Agreement

No individual Water Forum member or staff has independent authority to alter WF2050. At the same time, the Water Forum must be able to respond to the changing conditions or other unforeseen circumstances that will arise over the next several decades. WF2050 may be amended only by all signatories employing the same interest-based collaborative process used to negotiate the original WF2050. The Water Forum staff will facilitate and coordinate such negotiations should they prove necessary. Changes to WF2050 are the purview of the Plenary unless the Plenary decides they need to be referred to signatory members' boards for formal confirmation.

Term of the Agreement

The original WFA, adopted in 2000, was set to expire after a 30-year term. In 2020, then Water Forum Executive Director Tom Gohring initiated a renegotiation of the WFA well in advance of the expiration date, recognizing that the original agreement had taken seven years to negotiate and that regulatory, policy, and physical conditions had substantially changed over the past 20 years. While the renegotiation of the WFA is expected to be completed prior to the original expiration date and in less time than the original negotiations, it is recognized that, due to the nature of the agreement and the complexity of the issues, members should anticipate and plan for future renegotiations.

Therefore, given the complexity of issues and anticipated climate change, WF2050 is to be reviewed through an assessment of key indicators in the Five-Year Status Report, including data from UWMPs and GSPs, on a 5-year basis, with a renegotiation term of 25 years.

The anticipated timeline of review and renegotiation is as follows for the period of 2025-2050:

- **2025:** Signing of the New Agreement, WF2050. Publish updated Annual Work Plan that lays out programmatic and budgetary priorities for the coming year, as well as a look-ahead for the FY 25/26-30/31 period.
- **2030:** Publish Five-Year Status Report. Review progress on implementation of program elements; develop updated Annual Work Plan that lays out programmatic and budgetary

priorities for the coming year, as well as a look-ahead to cover the next 5-year period (FY 30/31-35/36) for Plenary approval.

- **2035:** Publish Five-Year Status Report. Review progress on implementation of program elements; develop revised Annual Work Plan that lays out programmatic and budgetary priorities for the coming year, as well as a look-ahead for the next 5-year period (FY 35/36-40/41) for Plenary approval.
- **2040:** Publish Five-Year Status Report. Review progress on implementation of program elements; develop revised Annual Work Plan that lays out programmatic and budgetary priorities for the coming year, as well as a look-ahead for the next 5-year period (FY 40/41-45/46) for Plenary approval.
- **2045-2050:** Publish Five-Year Status Report. Initiate review and renegotiation of WF2050 to coincide with a 25-year renewal period. Provide a 5-year window to complete, with the anticipated new agreement to be approved no later than 2050. This 5-year window can be automatically extended with the concurrence of the Plenary, provided that negotiations are deemed productive and are on a path towards a successful conclusion.

Request for Renegotiation

Renegotiation can be requested outside of the scheduled timeframe. Any proposal to renegotiate WF2050 would be considered in the context of the Water Forum's coequal objectives. Specific engagement processes for renegotiating WF2050 should be developed through a transparent and collaborative process.

Request for Amendment

Amendments to WF2050 can be requested outside of the scheduled timeframe. Any proposal to amend WF2050 would be considered in the context of the Water Forum's coequal objectives. Specific engagement processes for amending WF2050 should be consistent with the collaborative decision-making process that was used in the development of WF2050.

Process for Renegotiation or Amendment Requests

The mechanism to request consideration of amendments is as follows:

- Any signatory, caucus, or Executive Director can make a formal request for renegotiation of some terms. The request must include a rationale stating the changed conditions warranting consideration and should include proposed amendment concepts or language.
- The request for renegotiation by a signatory or caucus must be submitted to the Water Forum Executive Director, who will bring it (or any request they may have) first to the Coordinating Committee for discussion. Coordinating Committee discussions will be

informed by input from their respective caucuses and, as appropriate, any guidance from relevant committees.

- The Coordinating Committee is to forward all requests on to the Plenary for its consideration. The Coordinating Committee may, at its discretion, offer an accompanying recommendation to adopt, modify, or reject. It may also forward it on to the Plenary without any recommendation.

A request for an amendment or renegotiation does not necessarily mean WF2050 will be revised. WF2050, including specific agreements (e.g., PSAs), can be changed or modified only with the express approval and consent of the Plenary. Changes to WF2050 are the purview of the Plenary, with the caveat that changes that require additional funding will be subject to agreement by the funders. The Plenary may recommend that the proposed changes be referred to the signatory members' boards/decision-making bodies for formal confirmation.

Specific implementing agreements (e.g., PSAs) cannot be changed or modified without the express approval and consent of the entity whose interests would be affected by the change. These changes also must be approved by the Plenary.

3. Process for Project Endorsement from the Water Forum

This program element is designed to provide a framework for projects proposed by Water Forum members to receive endorsement from the Water Forum, consistent with the decision-making processes described above.

Water Forum signatories may receive support (i.e., endorsement) for a proposed project from fellow signatories when agreed-upon conditions are met, including good faith sharing of project information and the project proponent's commitment to WF2050 implementation. A "project" could refer to infrastructure, water entitlement, an application for funding, a policy, or a procedure. Endorsement can range from conceptual to full endorsement (as described below) and is dependent on the level of project development and information shared with the Water Forum.

Conceptual Endorsement

Definition: The project idea is acknowledged by signatories as relevant and aligned with the coequal objectives.

Purpose: Signals openness to explore the concept further.

Full Endorsement (Ready to Implement)

Definition: Water Forum signatories have confirmed support for the project's final implementation.

Purpose: Signals that the project is supported by all caucuses and implementation will not be opposed by Water Forum signatories.

When a project receives Water Forum endorsement, signatories (when called upon) will make reasonable efforts to provide endorsement in any (or all) of the following ways:

- Speak before stakeholder boards and regulatory bodies
- Provide letters of endorsement
- Provide supportive comments to the media
- Advocate the WF2050 Agreement to other organizations, including environmental organizations that are not signatories to the Water Forum Agreement.
- Otherwise, respond to requests from other signatories to make public their endorsement of WF2050 and associated projects (as relevant).

At a minimum, Water Forum endorsement of a project will mean refraining from making negative statements or opposing the project. However, *conceptual endorsement* does not preclude Water Forum signatories from asking questions and seeking clarity within various environmental review processes as projects are advanced.

If requested, an endorsement could come from individual signatories, the Plenary, or the Executive Director on behalf of the Plenary.

Framework for Information Exchange to Build Trust

Projects that receive Water Forum endorsement are those that have been shared and discussed widely with other Water Forum signatories. This could occur in caucus meetings, Plenary, Water Forum committees, or other Water Forum meetings that have been made available to all signatories. Discussions with signatories may be completed sequentially if access to information is made to all signatories in a timely manner. For instance, a project proponent could share their project details with all caucuses separately.

Inherent in this approach is the intent to build trust among signatories through full and early disclosure of project details. Sharing project information early in its development process will allow Water Forum signatories to evaluate, provide feedback, and engage in dialogue about the project. Project proponents should share project details in good faith before final decisions are made. The history of the Water Forum has shown that this type of information tends to garner support from other signatories.

In addition to the information sharing and disclosure process, projects may also receive Water Forum endorsement through the ARCAP, which will include analysis and assessment of regional actions to support the coequal objectives including through the potential development of

additional volumes of water. Projects considered within ARCAP are expected to undergo review and discussion through all levels of the Water Forum governance structure.

Project Endorsement Caveats and Assurances

- 1) *The nature of a project endorsement will be commensurate with the level of detail shared with the WF and the level of development of the specific project. For example, if conceptual project information is available and shared with the WF, then WF signatories can only provide endorsement of the project's concept. If project proponents seek full endorsement of a ready-to-build project, then it is expected that they will have shared and discussed details, including concept, design, funding, permitting, and construction, as relevant.*
- 2) *WF endorsement will be contingent on:*
 - a. *Proponent is adhering to all applicable planning, environmental, and regulatory requirements.*
 - b. *The proponent has conducted a public participation process, such as engaging with established citizen advisory committees or employing other appropriate mechanisms, to inform project design and implementation as needed.*
 - c. *Project aligns with the coequal objectives and the WF 2050 guiding principles.*
 - d. *The project proponent has demonstrated a clear commitment to WF2050 implementation.*
- 3) *If a consensus cannot be reached within the Water Forum for endorsing a project, no action will be taken by the Water Forum.*
- 4) *If a project is determined by consensus within the Water Forum to be in direct and clear conflict with the Water Forum's coequal objectives, it is possible that the Water Forum would take a position of opposition to the project.*
- 5) *All signatories retain their existing ability to comment or provide input on specific details of facility design, financing, and construction of projects.*

4. Legal Considerations

Administrative Structure

The Water Forum is not a legal entity, but rather a forum for a group of business and agricultural leaders, community groups, environmentalists, public and private water agencies, and local governments. Staffing and administrative support for the Water Forum are funded by water purveyors and other willing donors, with personnel management provided by the City of Sacramento. The Water Forum is not a separate legal entity. The current authority for the Water Forum is outlined in the 2025 Interagency Agreement for the Administration and Management of the Water Forum.

The key points of the 2025 Interagency Agreement for the Administration and Management of the Water Forum (**attached as Appendix 13**) are as follows:

- The objective of the Water Forum office and staff is to promote the implementation and continued vitality of the Water Forum Agreement.
- The Executive Director of the Water Forum reports directly to the Director of the City of Sacramento Department of Utilities.
- The City is responsible for providing facilities, budget, and administrative support to the Water Forum.
- All employees of the Water Forum, including the Executive Director, are City employees.
- The Water Forum contracting follows City procedures.
- The Water Forum will carry its own insurance policy to cover claims up to an agreed-upon threshold.
- If a signatory decides to terminate membership in the Water Forum, that signatory is responsible for covering their funding share for the current and subsequent fiscal year.
- The City's signature delegation policy identifies the Executive Director's position as equivalent to a Department Director and authorizes contract authority of up to \$100,000.

The City Attorney's office represents the Water Forum on matters related to City procedures and general governmental issues. The Water Forum currently shares the City's outside water counsel for advice on substantive water-related issues but has agreed to terminate the representation if a potential conflict with the City's interests arises.

Water Forum Meetings – Relationship to Brown Act

The Water Forum is neither a local governing body nor was it created by federal or state law. Accordingly, it is not subject to the Brown Act.

Nevertheless, the Water Forum strives to be as transparent and inclusive as possible, both with its members and with cooperating entities, affected parties, and the broader public. To that end, Plenary meetings are open unless a specific topic warrants member-only discussions. The Water Forum also strives to hold informational sessions that deepen understanding among its members and others. In the case of open Plenary meetings, the Water Forum will provide advance notice of meeting times and materials to inform the public. The general intent for Plenary meetings is to be open to the public so that the formulated plans and positions are made known.

The Water Forum strives to provide meeting materials to its members in a manner consistent with good public participation practices (e.g., meetings are noticed in advance, discussion topics are described in the agenda, meetings take place locally and are open to the public, etc.).

Water Forum members are responsible for ensuring their engagements with the Water Forum are consistent with their agency's Brown Act obligations.

California Environmental Quality Act

The City of Sacramento is considered the lead for any Water Forum actions requiring CEQA (California Environmental Quality Act) review.

Development and adoption of WF2050 is not a “Project” subject to CEQA.

Caveats and Assurances

AMERICAN RIVER CLIMATE ADAPTATION PROGRAM (ARCAP)

ARCAP Caveats and Assurances include the following:

1. *The ARCAP will be developed and implemented, with opportunities for open cross-caucus discussions and guidance, utilizing the Water Forum's decision-making processes. This applies to both technical processes and member deliberations.*
2. *The Water Forum will work jointly with RWA and the GSAs to resolve technical issues during ARCAP development and implementation. Staff from RWA and the Water Forum will work together in a collaborative relationship to support this program and will engage with the regional GSAs.*
3. *The ARCAP approach will strive to add value and avoid creating added costs, duplicative processes, and bureaucracy.*
4. *The ability of Water Forum members to identify and employ ARCAP Water does not imply that the American River is in excess conditions.*
5. *ARCAP implementation will complement and support other Water Forum programs (e.g., FMS).*
6. *The Water Forum will review the successes and challenges of the ARCAP and refine the program as needed, with adjustments agreed upon by all caucuses.*
7. *ARCAP assets (e.g., water rights and contracts, wells, diversion works) will remain under the control of the owning agencies.*
8. *The role of the Water Forum (including its staff and members) will be to coordinate ARCAP actions, complete agreed-upon technical analyses and studies, advocate for programs and funding, and track and review the status of these programs.*
9. *The Water Forum and RWA will respect the operational authority and third-party agreements of their members, which are necessary for their contributions to ARCAP Water.*
10. *No part of the ARCAP will abridge the authorities, entitlements, or agreements of Water Forum members without the express consent of the relevant parties.*

AMERICAN RIVER FLOWS AND OPERATIONS (ARFO)

ARFO Caveats and Assurances are grouped in the following categories:

- Flow Management Standard (FMS)
- Flood Operations
- Temperature and Other Water Management Infrastructure

Flow Management Standard

1. *Signatories acknowledge that, while minimum reservoir releases are a key feature of the FMS, flows above the specified minimum releases can provide important benefits for wildlife, recreational, and aesthetic values of the LAR.*
2. *Signatories acknowledge that low Dissolved Oxygen (DO) levels have a significant impact on the health of salmonids, thereby negatively affecting the benefits of the FMS. Consequently, Folsom Reservoir complex management actions must take this factor into account to avoid unhealthy DO levels.*
3. *Signatories acknowledge that Folsom Reservoir storage levels in the spring are critical to the volume of cold-water pool available for the effective implementation of the FMS during the rest of the year, and that management actions should be taken to preserve as much reservoir storage as feasible during this timeframe.*
4. *All signatories agree to recommend to the SWRCB an updated American River Flow Management Standard that protects the fishery, wildlife, recreational, and aesthetic values of the lower American River. The recommendation will include requirements for Reclamation releases to the LAR.*
5. *The Water Forum will develop recommendations to inform transfer activity in the region, subject to agencies' determinations of operational, regulatory, and contractual feasibility, to be as consistent with the FMS as possible and maximize the value of the transfer water for the health of the LAR.*
 - a. *Note: Current regulations include a commitment to implement certain aspects of the FMS, and water moved through a transfer agreement has the potential to offer additional flows and/or temperature benefits to the LAR, pending operational constraints such as, but not limited to, timing of deliveries, infrastructure capacity, regulatory or discretionary actions by Reclamation.*
 - b. *Note: When transfers are arranged with Reclamation, purveyors can make requests or suggestions regarding how and when water is moved through the system; however, operational decisions are ultimately at the discretion of Reclamation and are subject to regulatory requirements.*

Flood Operations

6. *The Water Forum Signatories support pursuing a Preliminary Viability Assessment of American River Watershed Forecast-Informed Reservoir Operations³⁴ (Watershed FIRO) in partnership with Reclamation, USACE, NOAA, and others, where appropriate and possible.*
7. *The Water Forum signatories support the identification and implementation of excess flood water recharge when: 1) carried out within the region; 2) designed, constructed, and operated in accordance with appropriate environmental and engineering standards/requirements, and the FMS; and 3) consistent with and supporting the Water Forum's coequal objectives.*

Temperature and Other Water Management Infrastructure

8. *Signatories support the current efforts to redesign and improve the temperature control shutters at Folsom Dam and will consider opportunities for Water Forum support and advocacy. Until improvements are made, signatories support the implementation of a power bypass at Folsom Dam in all years as necessary to provide suitable fall spawning temperatures for LAR resident salmonids, unless September temperature modeling indicates that 56°F or lower can be achieved at Watt Avenue on or before November 1st without the bypass.*

REGIONAL WATER SUPPLY SUSTAINABILITY (WSS)

WSS Caveats and Assurances are grouped in the following categories:

- Surface Water Management
- Groundwater Management
- Demand Management
- Dry-Time Actions

Surface Water Management

1. *The ability for any individual purveyor to implement the surface water diversions principles will depend on their respective opportunities and constraints.*
2. *On a five-year cycle, purveyor signatories will coordinate with the Water Forum staff to provide data and assumptions to be reported in their Urban Water Management Plans (UWMPs), including demand projections, current and planned supplies, status of demand management and water use efficiency programs, and drought planning scenarios. Water*

³⁴ Definitions of FIRO can vary, but generally includes expanding meteorological, watershed, channel condition, and environmental monitoring; advancing technology to enhance meteorological, watershed, channel condition, and environmental forecasting; and integrating data collection, management, display, and analysis capabilities into decision support systems related to reservoir operations.

Forum staff will compile regional data and assumptions for presentation to the Water Forum membership for review and discussion.

3. *Nothing in the agreement is intended to call for the reduction or forfeiture of existing surface water entitlements. Signatories to the agreement will honor this principle in state and federal entitlement proceedings directly related to WF2050. It is recognized that there may be broader state and federal entitlement proceedings where signatories may have different interests, such as the SWRCB water rights proceeding for the Bay-Delta. Signatories agree to work in good faith through the Water Forum with the objective of developing a consensus recommendation for how state and federal entitlement proceedings should affect those agencies that store and divert American River water. All signatories will make good faith efforts to ensure that recommendations are consistent with both coequal objectives.*
 - a. *The LAR is considered to be fully appropriated by way of the existing declarations of full appropriations, the responsibilities of the California Wild & Scenic Rivers Act, and the realities of the National Wild & Scenic Rivers Act. For more detailed information, see **Appendix 6**. The Water Forum will not be pursuing amendments to the existing declaration of full appropriation.*
4. *Recognizing that the majority of LAR surface water supply originates in the Upper American River Watershed, signatories support efforts above Folsom Reservoir to enhance and restore watershed health, creating a resilient headwater for water supply and ecosystem benefits on the American River.*
5. *The Water Forum did not evaluate new reservoirs in the analyses used to inform the WF2050 negotiations. Notwithstanding any provision of this agreement, any proposal for the Water Forum to support or oppose a new reservoir shall be approved by the Plenary, with at least 30-day notice to each Water Forum representative.*
6. *Signatories acknowledge that the parties to the Healthy Rivers and Landscape (HR&L) Proposal will be obligated to meet tributary program requirements for the American River, if approved by State Water Resources Control Board along with associated agreements. In addition, there are Water Forum members who have also made flow commitments pursuant the American River Terms for Ecosystem Support and Infrastructure Assistance Needs (ARTESIAN) Agreement³⁵.*
7. *Signatories are encouraged when invited to support (where possible) purveyors' rates and fees necessary to implement projects and programs insofar as they are consistent with the WF2050 guiding principles and in support of the coequal objectives. The Water Forum will provide learning and engagement opportunities on water affordability and related best*

³⁵ The ARTESIAN Agreement contains commitments for certain RWA members to obtain funding to complete groundwater infrastructure projects and provide contributions to environmental outflow with or without adoption of the HR&L. The ARTESIAN Agreement governs the rights and obligations with respect to the administration of state funding provided for in the Funding Agreement Between the State of California (Department of Water Resources) and the Regional Water Authority - Voluntary Agreement Early Implementation for the American River, executed on July 21, 2023.

practices, and signatories will work to better understand associated challenges and opportunities (see Governance Program Element– Community Outreach and Engagement for more information).

Groundwater Management

- 8. The Water Forum will work to understand better and communicate the opportunities for, and impacts of, increased surface water diversions in wet conditions.*
- 9. Signatories acknowledge the importance of continued data collection and analysis to improve understanding of Groundwater Dependent Ecosystems (GDEs) and surface water–groundwater interactions and commit to ongoing dialogue within the Water Forum as these topics are explored in the context of SGMA requirements and ARCAP analyses (as relevant).*

Demand Management

- 10. All signatories acknowledge that the requirements related to water purveyors' water use efficiency and demand management have become increasingly stringent since the signing of the original WFA and are continuing to evolve.*
- 11. All signatories acknowledge that the purveyors must consider the costs and benefits of demand management actions (monetary, ecosystem, quality of life, etc.).*
- 12. All signatories acknowledge that water rates have impacts on affordability and equity.*
- 13. All signatories recognize that conserving water provides multiple benefits (if properly targeted, implemented, and managed) and commit to implementing demand management actions in a manner that strives to support both coequal objectives, with considerations for improvements to landscape irrigation efficiency and installation of native and low-water-use vegetation.*

Dry-Time Actions

- 14. Water is essential for public health and sanitation, as well as for economic stability and quality of life. Water agencies have a fundamental responsibility to provide all customers with reliable access to safe, clean drinking water. This fundamental responsibility may constrain the breadth of Water Forum related actions purveyors are able to take during extreme drought.*
- 15. Water agencies in California manage water shortages in accordance with their individual Water Shortage Contingency Plans (WSCPs), which are developed and updated every five years as part of their UWMPs, in compliance with California Water Code requirements.*
- 16. Signatories acknowledge that dry times present exceptional challenges for the health of the LAR, and actions should be pursued to protect the fish that rely on river flows and temperature.*

SCIENCE, MONITORING, AND DECISION SUPPORT

Science, Monitoring, and Decision Support Caveats and Assurances include the following:

1. *The level of effort and the scope of Science, Monitoring and Decision Support Program activities will be informed by emerging data needs, and science activities mandated by regional and/or statewide programs that may arise during the WF2050 term (i.e., the Statewide HR&LP Science Plan habitat accounting process, changing hydrology, new water supply regulations, etc.), and other emerging funding sources and requirements, as applicable.*

GOVERNANCE, FUNDING, AND ADMINISTRATION

Governance, Funding, and Administration Caveats and Assurances include the following:

1. *The nature of a project endorsement will be commensurate with the level of detail shared with the WF and the level of development of the specific project. For example, if conceptual project information is available and shared with the WF, then WF signatories can only provide endorsement of the project's concept. If project proponents seek full endorsement of a ready-to-build project, then it is expected that they will have shared and discussed details, including concept, design, funding, permitting, and construction, as relevant.*
2. *WF endorsement will be contingent on:*
 - a. *Proponent is adhering to all applicable planning, environmental, and regulatory requirements.*
 - b. *The proponent has conducted a public participation process, such as engaging with established citizen advisory committees or employing other appropriate mechanisms, to inform project design and implementation as needed.*
 - c. *Project aligns with the coequal objectives and the WF 2050 guiding principles.*
 - d. *The project proponent has demonstrated a clear commitment to WF2050 implementation.*
3. *If a consensus cannot be reached within the Water Forum for endorsing a project, no action will be taken by the Water Forum.*
4. *If a project is determined by consensus within the Water Forum to be in direct and clear conflict with the Water Forum's coequal objectives, it is possible that the Water Forum would take a position of opposition to the project.*
5. *All signatories retain their existing ability to comment or provide input on specific details of facility design, financing, and construction of projects.*

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WATER FORUM AGREEMENT

2050

California American Water Purveyor Specific Agreement

Updated: January 8, 2026

California American Water is submitting this document as a commitment to the Water Forum for surface water management of the American River. This agreement follows the Purveyor Specific Agreement (PSA) Template and Guidelines and addresses surface water management, current and future diversions from the American River, dry conditions management, critically low storage conditions in the Folsom Reservoir, and a project list to support coequal objectives. We recognize that climate variability is impacting water resources in the region. The continuing implementation of the historic Sustainable Groundwater Management Act (SGMA) in the Sacramento region provides opportunities to ensure alignment for the sustainable management of our shared water resources.

Purveyor Background

California American Water is an investor-owned utility operating under the rules and regulations of the California Public Utilities Commission (CPUC). California American Water has seven service areas within the metropolitan area of Sacramento County; (1) Antelope, which serves the communities of Antelope and Elverta; (2) Lincoln Oaks, which serves portions of Citrus Heights and North Highlands; (3) Parkway located in the Florin area, (4) Fruitridge Vista located in the Lemon Hill area, (5) Suburban/Rosemont, which serves Rosemont and the western portion of Rancho Cordova; (6) Arden in the Arden Arcade area, and (7) Security Park in the Sunrise Douglas area. Additionally, California American Water provides water to the West Placer service area, located just north of the Antelope service area in Placer County. As of January 2024, California American Water had 65,467 active connections within these eight service areas. California American Water serves water to two additional areas within Sacramento County, the City of Isleton and the community of Walnut Grove; both areas rely solely on groundwater. California American Water's service areas may be extended from time to time as approved by the CPUC.

Groundwater

Groundwater is the primary source of supply for California American Water's systems in Sacramento County. All the Sacramento County water systems are within the boundaries of the Sacramento Valley Groundwater Basin of the Sacramento River Hydrologic Region as identified by California Department of Water Resources (DWR) in its Bulletin 118 updated in 2018.

- Antelope, Arden, and Lincoln Oaks are located within the North American Subbasin.

- Fruitridge, Parkway, Security Park, and Suburban-Rosemont are located within the South American Subbasin.

There are currently 101 active groundwater wells in these seven service areas. The total production capacity is approximately 70,720 gallons per minute (gpm). **Table 1** summarizes the wells by service area.

California American Water does not use groundwater to supply its West Placer service area. Under a franchise agreement with Placer County, the provision of domestic water service by California American Water shall be consistent with the water source requirements and conditions adopted by the county as applicable to the specific county general plan policy, community plan, or zoning for, or directly affecting, the property to be so served.

Table 1. Groundwater Wells by Service Area

Service Area	Number of Wells	Total Well Capacity (gpm)
Antelope	17	13,580
Arden	5	2,350
Fruitridge Vista	13	7,410
Lincoln Oaks	22	14,750
Parkway	19	14,450
Security Park	1	200
Suburban-Rosemont	24	17,980
Total	101	70,720

Purchased Water

California American Water's Arden, Parkway, and Suburban-Rosemont service areas lie within the Place of Use (POU) for the City of Sacramento's American River Water Rights. In 2010, California American Water revised an existing wholesale supply agreement with the City to receive a maximum of 3.46 million gallons per day (MGD) of non-firm supply (defined as surplus capacity in the City of Sacramento's treatment and transmission facilities that is available to divert, treat and deliver potable water to California American Water after all the demands of the City's prior wholesale and wheeling service customers and present and future retail water service customers are met) during off-peak periods (October 15th through May 14th), plus an additional 2.3 MGD of firm capacity, for a total of 5.76 MGD, that can be delivered to the Arden, Parkway, or Suburban-Rosemont service areas. The agreement stipulates that the City would supply surface water unless the Lower American River is below the Hodge Flow Criteria, in which case the City would produce groundwater instead of surface water when demands exceed 1.13 MGD. This mixed supply is available to California American Water up to 2.3 MGD.

California American Water also has an agreement with the City of Sacramento for the Fruitridge service area, which was carried over from the agreement between the Fruitridge Vista Water Company and the City. Through this agreement, California American Water can purchase up to 3.24 MGD of water from the City to serve its Fruitridge service area.

Sacramento County Water Agency (SCWA) supplies water to the Security Park service area. The current agreement between California American Water and SCWA allows California American Water to take up to 50 gpm of potable water.

Sacramento Suburban Water District (SSWD) and California American Water have an agreement from 2005 that allows California American Water to purchase up to 2,000 AFY of water from SSWD to serve its Antelope and Lincoln Oaks service areas.

California American Water has an agreement with Placer County Water Agency (PCWA) to purchase water for its West Placer service area. The agreement allows for purchase of 3 MGD and a maximum delivery rate of 2,362 gpm. Additional capacity can be purchased if needed.

Table 2 summarizes the wholesale supply interties in each service area. Note that it does not include approximately 30 emergency interties.

Table 2. Wholesale Interties

Service Area	Wholesale Provider	Number of Interties*
Antelope	SSWD	2
Arden	City of Sacramento	1
Fruitridge	City of Sacramento	2
Lincoln Oaks	SSWD	1
Parkway	City of Sacramento	1
Security Park	SCWA	1
Suburban-Rosemont	City of Sacramento	1
West Placer	PCWA	3

* does not include emergency interties

Current and Projected Water Demand

Table 3 summarizes the current and projected water demand by service area in million gallons (MG). The projected water demand is from the 2020 Urban Water Management Plan (UWMP).

Table 3. Current and Projected Demand (MG)

Service Area	2023	2040
Antelope	1,190	1,536
Arden	442	461
Fruitridge	928	932
Lincoln Oaks	1,591	1,960
Parkway	2,277	2,812
Security Park	6	1,020
Suburban-Rosemont	2,543	3,162
West Placer	358	1,095

Surface Water Management

The coequal objectives of the Water Forum are (1) to provide a reliable and safe water supply for the region's economic health and planned development and (2) to preserve the fishery, wildlife, recreational, and aesthetic values of the lower American River. With the exception of the West Placer service area, California American Water relies primarily on groundwater to serve its customers. However, as a member of three groundwater sustainability agencies (West Placer Groundwater Sustainability Agency, Sacramento Groundwater Authority, and Sacramento Central Groundwater Authority), California American Water must use groundwater responsibly and therefore prioritizes the use of purchased water within the limits of the purchase water agreements when it's available, plentiful, and economically feasible.

Current Diversions

California American Water's current diversions from the American River are through the four agencies from which California American Water purchases water. The supply sources from these agencies are described briefly below:

- **City of Sacramento's** wholesale supply sources include American River and groundwater, the majority of this being from the American River.
- **PCWA** supplies water from Pacific Gas and Electric and the Middle Fork American River project and plans to deliver water from the Central Valley Project, supplied by the American River.
- **SCWA's** supply sources include surface water, groundwater, and non-potable (recycled) water. Surface water is mainly supplied from the Sacramento River, with some diversions from the American River.
- **SSWD** relies primarily on groundwater, but imports water from Folsom Reservoir and the Lower American River through water purchases from PCWA and the City of Sacramento.

Table 4 summarizes the amount of water California American Water purchased from these four agencies for the past five years.

Table 4. Purchased Water (MG)

Wholesale Water Agency	2023	2022	2021	2020	2019
City of Sacramento	680.5	339.7	863.0	1481.7	460.9
PCWA	357.8	365.3	392.6	359.6	298.6
SCWA	0.3	0.4	0.3	0.4	0.1
SSWD	290.4	0.0	2.0	48.8	482.9

Future Projected Diversions

Projected diversions consider conditions when the Unimpaired Inflow to Folsom Reservoir (UIFR) is above 950 thousand acre-feet (TAF). Under normal conditions, California American Water intends to use surface water as it is available through purchase water agreements with the City of Sacramento, PCWA, SCWA, and SSWD.

Drier Conditions Management

“Drier conditions” is defined as the condition where the UIFR is between 950 TAF and 400 TAF. Supply management includes the following expectations:

- No change is anticipated in the availability of the City of Sacramento’s supply, as indicated in their 2020 UWMP. Regardless, California American Water commits to reducing the amount of purchased water from the City in drier years.
- SSWD has agreed not to use any water from the Lower American River in years other than wet years (when UIFR is greater than or equal to 1,600 TAF), although SSWD still would have groundwater available. Regardless, California American Water’s agreement with SSWD does not guarantee that supply will be available and it is assumed that in drier years, California American Water will plan for this supply source to be unavailable.
- While the demand in Security Park can currently be met using groundwater, the service area is expected to grow significantly in the near future due to the Rio Del Oro development. California American Water intends to serve this area primarily with purchased water from SCWA, with groundwater as a back-up source for use during dry conditions.
- PCWA does not expect to see a reduction in Middle Fork Project (MFP) supply in a dry year, although Pacific Gas and Electric Company (PG&E) and Central Valley Project (CVP) supplies would be reduced to 50%. Shortfalls in supply would be addressed by PCWA thorough groundwater production.

Driest Conditions Management

“Driest conditions” refers to the condition in which the UIFR is less than 400 TAF. In these conditions, supply will be managed under the following expectations:

- California American Water’s wholesale supply agreement with the City of Sacramento is subject to Hodge Flow Criteria on the Lower American River and inflow to the Folsom Reservoir (i.e., UIFR less than 400 TAF). The firm capacity component specifies a minimum of 2.3 MGD available throughout the year and the non-firm capacity of 3.46 MGD is available during non-peak periods. Although the City’s 2020 UWMP indicates that the City has adequate water supply to meet demands during multiple dry years through the year 2040, it is assumed that only the firm capacity will be available.
- As with the “drier” condition scenario, SSWD water is assumed to be unavailable for purchase during driest conditions.
- Similar to the “drier” year conditions, any reductions in supply from SCWA to serve Security Park will be met using groundwater, to the extent it is available.
- PCWA does not expect to see a reduction in MFP supply during the driest conditions, but PG&E water will be assumed unavailable and CVP supplies would be reduced to 25%. Shortfalls in supply would be addressed by PCWA thorough groundwater production.

Critically Low Storage Conditions

In the event of catastrophically low storage at Folsom Reservoir, two conditions must be addressed:

1. Potential operations in spring and summer when Folsom Reservoir storage is forecasted to reach 110 TAF at some point in the next 12 months.
2. Potential operations in summer and fall when Folsom Reservoir storage is below 110 TAF.

In both cases, California American Water will prioritize the use of groundwater wells and greatly reduce or eliminate the use of purchased water to the extent reasonably possible. In the case that purchased water includes groundwater, California American Water will prioritize use of its own groundwater wells to the extent reasonably possible, to allow other users access to wholesale agency groundwater water supplies.

While there are currently restrictions on California American Water's use of groundwater to supply its service area in West Placer, California American Water's agreement with PCWA does allow for California American Water to construct and use groundwater facilities, with the requirement that the use of PCWA water be prioritized, when available. The agreement further states that PCWA may instruct California American Water to reduce demand for surface water by up to 25 percent during periods of drought in areas where groundwater is available to ensure supply is available to other areas that do not have access to groundwater. Therefore, it may be feasible to negotiate with Placer County to obtain the ability to develop emergency groundwater sources.

Demand Management

California American Water has been offering conservation and water efficiency programs to its customers since the early 2000s. Conservation and efficiency programs help secure long-term water supply reliability, help with effective water demand management and peak water demand reduction, provide customer education on conservation and efficiency practices, and provide affordability by lowering customers' water bills.

California American Water's conservation and efficiency programs are also playing a critical role in the Company's response to California state regulations and policies pertaining to water efficiency, water loss management, and groundwater management including California's Senate Bill 555 and the Sustainable Groundwater Management Act. Senate Bill No. 606 (2017-2018 Reg. Sess.) ("SB 606") and Assembly Bill No. 1668 (2017-2018 Reg. Sess.) ("AB 1668") created a new framework for long-term improvements in water conservation and drought planning commonly referred to as "Making Conservation a California Way of Life" regulation. The two bills strengthen the state's water resiliency in the face of future droughts with provisions that include establishing water use objectives ("WUO") and long-term standards for efficient water use that apply to urban retail water suppliers.

Two additional pieces of legislation, Senate Bill No. 555 (2015-2016 Reg Sess.) ("SB 555") and Senate Bill No. 1157 (2022) together establish the comprehensive legislative framework for the WUO that water purveyors must comply with starting in 2027. The WUO is the sum of a water system's use of indoor and outdoor residential water uses, commercial landscape irrigation, and distribution system water loss. The regulations also require water agencies to implement extensive non-residential water use performance measures and add substantial reporting requirements for water utilities to the state.

The challenge for utilities will be to make customers adapt to these new WUOs through an increase in conservation and efficiency measures primarily on outdoor water usage.

Meeting the WUOs will require landscape transformation shifting from turf grass to more climate-adapted plant palettes according to the Model Water Efficient Landscape Ordinance (MWELO) Principles, a shift that will be very costly for homeowners and for utilities to incentivize this change.

Many water utility customers still seem mostly unaware of the Making Conservation a California Way of Life regulation and its implications for both residential and non-residential customers.

California American Water has invested greatly in educating its customers on conservation and efficiency matters and will continue to do so and its parent corporation, American Water, received the U.S. Environmental Protection Agency's WaterSense Excellence award in 2022 and 2023 for its various water efficiency customer education programs, foremost its webinar series launched for California American Water customers and for its collaboration with other organizations to continuously innovate its conservation programs.

California American Water is committed to its ongoing strong investments in conservation and efficiency programs and initiatives to meet and exceed water conservation regulations, to meet and exceed WUO and Water Loss targets and to assure reliable and safe future water supplies to our customers in the region.

As such, California American Water proposed conservation programs that will put the Company's various service areas in the best position to comply with state regulations and policies pertaining to water conservation and water loss management as prescribed in the Making Conservation a California Way of Life framework. Additionally, California American Water has sought approval to maintain the Company's ability to implement successful conservation programs through flexibility and innovation allowing cost-effective and efficient program execution and participation in partnerships, such as the Water Forum, with other agencies' conservation programs.

As directed by Water Code Section 10632 (a)(3)(A), California American Water maintains a water shortage contingency plan (Rule 14.1) and associated enforcement tariffs (Schedule 14.1 SAC , FRT) that can be implemented upon approval by the CPUC based on operational service conditions and water supply availability.

Project List and Future Water Supply Reliability Efforts

It is understood that to support the coequal objectives and mitigate challenges facing the region under future conditions, structural and non-structural projects will be needed. The following projects are anticipated to aid in California American Water's efforts to implement the proposed commitments outlined in the PSA.

Structural

1. **Well Rehabilitation and Replacement Program** – California American Water implemented this program to ensure adequate water supply and to maintain or increase the performance of groundwater wells. Because California American Water's service areas rely heavily on groundwater, this program helps to ensure that customer demands can be met through groundwater, and the purchase of surface water is minimized.

2. **Pipeline Replacement Program** – This program was implemented to replace aging water mains, thereby reducing the risk of pipe leaks and breaks. Leaks and breaks contribute to water loss, increasing overall system demand. By decreasing water loss, California American Water decreases overall demand, including the need to purchase surface water.
3. **Advanced Metering Infrastructure (AMI)** – California American Water is upgrading meters to AMI. Information collected through this metering system can assist in identifying and reducing system losses.

Non-Structural

1. **Water Conservation Program** – California American Water encourages water conservation through efforts such as customer education and information, contributions to research on innovative conservation programs and products, and participation in committees that promote conservation measures. These actions help reduce overall demands and especially peak demands, which reduces reliance on surface water.
2. California American Water helped sponsor the River Arc project in the past, and although no longer a project partner, California American Water continues to support the project and believes it is an important project for the future of reliable water supply in the Sacramento area.

Caveats and Assurances

1. The ability for any individual purveyor to implement the surface water diversions principles will depend on their respective opportunities and constraints.
2. In circumstances where excess water is made available by the U.S. Bureau of Reclamation (Reclamation) by Article 3(f) of a purveyor's Water Repayment Contract or by a Section 215 Contract between the purveyor and Reclamation due to flood control operations at Folsom Reservoir, for the purposes of groundwater recharge, that water would not be counted as diversion water within their PSA, regardless of year type.
3. California American Water is governed by the CPUC. California American Water's agreed endorsements in, or continued implementation of, this PSA are subject to review by the CPUC. California American Water may modify or terminate its endorsements agreed to in, or implementation of, this PSA upon receiving an adverse decision relating to said endorsements or implementation by the CPUC.
4. California American Water's operations, facilities, and contracts as described in this PSA may be modified, revised or amended from time to time, and this PSA is not intended to restrict California American Water's ability to execute and implement such modifications, revisions, and amendments. California American Water shall not be required to update or otherwise amend this PSA in the event of any such modifications, revisions, and amendments to its operations, facilities, and contracts.
5. As part of the development of their quinquennial UWMPs, purveyor signatories will provide information to Water Forum staff and signatories related to the data and assumptions to be reported in their UWMPs, including; demand projections, current and planned supplies, and

drought planning scenarios. Water Forum staff will compile regional data and assumptions for presentation to Water Forum membership for review and discussion.

- a. This assurance is intended to facilitate improved transparency and understanding related to the data and assumptions within the UWMPs, and to better elucidate any differences in assumptions by purveyors.



WATER FORUM AGREEMENT

2050

Carmichael Water District Purveyor Specific Agreement

Updated: November 26, 2025

Purveyor Background

Carmichael Water District (CWD or District), formerly Carmichael Irrigation District, was formed in 1916 to serve water for irrigation and a small but growing township called “Carmichael Colonies”. The District was formed under the California Irrigation District laws but changed its name to Carmichael Water District in the 1980s to reflect its transformation from a primarily irrigation water supplier to an urban water supplier. Today, CWD serves about 11,900 connections with a population of about 40,000 people. With a history of over 100 years, the District is built out with 90% residential service and a steady decrease in water demand from effective water efficiency campaigns and education.

The District’s water supply portfolio has provided over 100 years of water supply reliability to its customers. The District’s transition from exclusive use of surface water diverted from the American River to groundwater use and then to a sophisticated conjunctive use program, including a state-of-the-art water treatment facility, epitomizes the flexibility and adaptability that the District has displayed throughout its history. Renewed flexibility and adaptability will allow the District to handle climate change, regulatory change, and legislated conservation and water quality protection.

CWD has three main water supplies in its portfolio: surface water rights to divert the natural flows of the American River, groundwater supplies derived from its well system including banked water supplies from its long-term conjunctive use activities, and remediated groundwater supplies from its contract with Aerojet-Rocketdyne Corporation. All these water supplies are collectively managed to meet the District’s demands.

Surface Water Supplies

CWD’s surface water supplies consist of three appropriative water rights derived from the natural flow of the American River where water is normally available under natural conditions, subject to more senior appropriators. The supply is based upon water availability that is tied to the priority dates of these water rights. The State Water Resources Control Board (State Board) determines when there is insufficient water supply in the American River watershed to satisfy CWD’s diversion rate under each water right.

The three appropriate water rights consist of two licensed and one permitted water right providing up to 32,600 acre-feet per year (AFY) with a maximum diversion rate of 50 cubic feet per second, depending

on the season of use. CWD's water rights have priority dates after 1914 and are subject to curtailment by the State Board.

Water Right	Priority Date	Diversion Rate	Volume (AFY)	Diversion Period
License 1387	1915	15 cfs	10,859	Jan – Dec
License 8731	1925	10 cfs	3,669	May – Oct
Permit 7356	1948	25 cfs	18,099	Jan – Dec

The District diverts surface water through three Ranney collector wells in the American River and treats water at the Bajamont Water Treatment Plant (BWTP). The Ranney collectors use a series of laterals extending to the riverbed to gather water and utilize the natural sands and gravel for riverbank filtration. Water flows from the collectors by gravity to a central collector and then the District conveys it to BWTP through a 48-inch pipeline.

Groundwater Supplies

Groundwater supplies constitute a major component of the District's water supply portfolio. The District conjunctively manages its surface water and groundwater supplies to optimize the uses of these water assets.

The District currently operates 4 groundwater wells and is in the process of replacing 2 old wells and constructing a new well. These projects are in various stages of construction and are projected to be completed in 2026. The projected capacity for the wells will be about 8,000 to 10,000 gallons per minute (11.5 million gallons per day (MGD) to 14.4 MGD).

The District plans to further its conjunctive use program by utilizing Aquifer Storage and Recovery (ASR) technology to inject treated water from the BWTP when surface water is plentiful to maintain groundwater levels in the basin. The estimated annual capacity for storage is about 1,500 AFY to 3,000 AFY during normal and wet years. The District plans to invest additional resources in conjunctive use and water banking and will continue to implement additional ASR wells when replacing old wells that have reached the end of their useful life.

Alternative Supplies

The District may access remediated groundwater supplies from the Aerojet Groundwater Extraction and Treatment (GET) LA and LB facilities located within the District's service area. Aerojet makes these water supplies available through the extraction, treatment, and discharge of groundwater into the American River. The District has exercised its option to divert this remediated groundwater when its surface water rights have been curtailed.

Distribution System of Note

The District's water delivery system consists of both a distributed supply from groundwater wells and a centralized supply from the BWTP. The supply capacity is aided by two ground level water storage tanks, the La Vista Tank and the Dewey Tank, with a combined available storage capacity of 4 million gallons. The network of distribution pipelines consists of water supply mains ranging in size from 4-inch to 18-inch pipes to larger water mains of 24-inch and 30-inch pipes.

The District also maintains an intertie with Fair Oaks Water District and Citrus Heights Water District and four interties with Sacramento Suburban Water District.

Surface Water and Groundwater Management

The table below summarizes District water demand (by source) from 2006 through 2024. The Purchased Water column indicates additional water acquired and used during surface water right curtailment periods via short-term temporary contracts with Aerojet for additional remediated groundwater, when available, and with San Juan Water District. These contracts were single-year contracts, and the supplies are no longer available. The District's total demand has decreased significantly since 2006.

Year	Surface Water (AFY)	Groundwater (AFY)	Purchased Water (AFY)	Total
2006	8,971	3,519	0	12,490
2007	9,509	2,867	0	12,376
2008	10,422	1,581	0	12,003
2009	8,965	1,609	0	10,574
2010	8,217	1,518	0	9,735
2011	7,849	1,469	0	9,318
2012	8,315	1,570	0	9,894
2013	8,369	2,030	0	10,399
2014	2,441	3,417	2,501	8,359
2015	2,429	2,543	2,169	7,142
2016	6,254	1,189	0	7,443
2017	5,897	2,384	0	8,280
2018	5,633	2,718	0	8,352
2019	6,051	2,165	0	8,216
2020	4,342	4,172	0	8,514
2021	4,023	3,779	865	8,667
2022	3,264	5,176	159	8,599
2023	5,656	2,481	0	8,138
2024	6,479	2,151	0	8,630

Current Diversions

CWD's recent diversions from the American River are listed in the table below.

Year	Total (AFY)	Note
2014	2,441	Curtailment year
2015	2,430	Curtailment year
2016	6,254	
2017	5,897	
2018	5,633	
2019	6,051	
2020	4,342	Groundwater substitution transfer year
2021	4,023	Curtailment year

Year	Total (AFY)	Note
2022	3,264	Curtailment year and groundwater substitution transfer year
2023	5,656	
2024	6,479	

Future Projected Diversions

As the District is built out, the future projected diversions are expected to be similar to current conditions. Future in-fill projects will most likely reduce current irrigated areas and comply with regulatory water conservation standards. Future water efficiency measures will also limit additional diversions from the American River.

Future diversions from the American River may increase during normal and wet years by 1,500 to 3,000 AFY for storage of surface water in the groundwater basin via ASR operations.

Wet Conditions Management

Wet conditions occur when the Unimpaired Inflow Folsom Reservoir (UIFR) is ***greater than 1.6 Million Acre Feet***. This threshold is not considered a formal definition of what constitutes a “wet year” or “wet conditions” on the American River but was utilized in the original Water Forum agreement as a basis for surface water commitments. It is expected that additional analysis and discussions will be conducted as part of the American River Climate Adaptation Program (ARCAP) to explore and define what other potential criteria could be used to guide regional operations in wet times. Where possible, the District will expand its conjunctive use operations and increase its diversions to groundwater storage by 1,500 to 3,000 AFY through its ASR wells.

Drier Conditions Management

In drier conditions, when the UIFR is ***between 950 Thousand Acre Feet (TAF) and 400 TAF***, the District will implement water conservation measures to reduce demand by 10% from normal, or as required by the District’s Water Shortage Contingency Plan. Where possible, the District will prioritize groundwater use to leave water in the LAR.

Driest Conditions Management

In the driest conditions, when the UIFR is ***less than 400 TAF***, the District will implement water conservation measures to reduce demand by 10 – 20% from normal or as required by the District’s Water Shortage Contingency Plan. Where possible, the District will prioritize groundwater use to leave water in the LAR.

Critically Low Storage Conditions

In critically low Folsom Reservoir storage conditions, the District would most likely be required to cease water diversions from the LAR per curtailment orders issued by the State Board or terms and conditions in the Healthy Rivers and Landscapes Agreements. If curtailed, the District would use its groundwater resources to meet demands and, if necessary, acquire additional water to supply demands as available. The District would also implement its Water Shortage Contingency Plan that aligns with a potential water supply shortage and comply with any applicable mandates issued by the State Board.

Demand Management

CWD is committed to abide by relevant water conservation and water use efficiency regulations. At the time of signing, key requirements are associated with the 2024 “Making Conservation a California Way of Life” regulations, Assembly Bill (AB) 1572 related to irrigation of non-functional turf with potable water, and the Model Water Efficient Landscape Ordinance (MWELO), which encourages low water use and native landscaping for new development.

CWD has participated and will continue to participate in the Regional Water Authority’s Water Efficiency Program, especially for regional compliance with the Commercial, Industrial, and Institutional (CII) best management practices and regional non-functional turf outreach, along with regional messaging. CWD also offers water efficiency surveys and rebates for turf replacement, smart sprinkler controllers, and Flume Water’s Smart Home Water Monitor and Leak Detector. Continuation of the rebate program is subject to CWD Board of Directors approval.

Potential demand management actions include:

- Developing programs to assist in the conversion of publicly owned, commercial, and institutional landscaping to low-water-use native landscaping.
- Expand and strengthen regional conservation messaging about plant watering needs.
- Provide additional water use efficiency rebates to customers.
- Track customer water use and develop targeted outreach opportunities for high-water-use customers.
- Maintain and implement water waste prevention programs.
- Maintain customer outreach and communication programs to educate and inform customers of state water use efficiency requirements.
- Maintain customer programs to support the implementation of Best Management Practices for the CII sectors.

Project List

Structural

Rehabilitation, modernization, or replacement of existing infrastructure as outlined below:

- Rehabilitation and replacement of Ranney collector laterals to maintain capacity and infrastructure integrity.
- Replacement of existing wells at the end of their useful life and modernize with ASR capabilities.
- Replacement of existing pipelines in poor condition to improve water transmission reliability.
- Distribution pressure zone modifications for efficient water use and energy management.
- New groundwater facilities consistent with the adopted Groundwater Sustainability Plan.
- Projects and programs to ensure success of the Healthy Rivers and Landscapes Program or a similar tributary-specific program that improves the ecosystem, protects local water entitlements, and maintains better cold water pool conditions in Folsom Reservoir and the LAR.

Non-Structural

- Water transfers when available consistent with the Groundwater Sustainability Plan and the Water Code.
- Additional groundwater storage opportunities in the Sacramento Regional Water Bank.
- Support and participate in regional partnership opportunities with other water purveyors that provide reliability to regional water supply systems and benefits to the LAR.
- Agreements with neighboring purveyors for conjunctive use opportunities.
- Extension and/or license of water entitlements.
- Regional water efficiency and conservation campaigns.

Caveats and Assurances

1. CWD was established over 100 years ago and is mostly built out. Structural projects listed above for rehabilitation, modernization, or replacement of existing infrastructure are key for water supply reliability to its customers. CWD seeks support in implementation of rehabilitation, modernization, and replacement of old infrastructure for supply reliability, operational efficiency, and water conservation objectives.
2. The District uses surface water supplies, when possible, to protect its groundwater supplies and prevent migration of contaminant plumes associated with the Aerojet facilities in Sacramento County. The District will continue to practice conjunctive use to meet existing and future needs and manage dry and critically dry conditions as they arise in the future.
3. Acknowledge that the duty of a water purveyor is to simultaneously provide an affordable, reliable, and high-quality water supply to its customers. Proposals that favor one of these goals over another could threaten a water purveyor's ability to achieve all goals simultaneously.



WATER FORUM AGREEMENT

2050

City of Folsom Purveyor Specific Agreement

Updated: January 8, 2026

Purveyor Background

The City of Folsom (City) is a public agency that provides potable water directly to its residential and business customers. The City's boundaries are not coterminous with the City's water service area. The City's water system is divided into five (5) distinct water service areas. The water service areas are listed below and shown in **Figure 1**.

- Folsom West Service Area
- Folsom East Service Area
- Nimbus Service Area
- Folsom Plan Area Service Area
- Ashland Service Area

The City obtains its surface water supply directly from a diversion point in Folsom Reservoir. The City's water service contracts allow it to develop an intake facility at the Folsom South Canal, but the City has not yet done so. For areas south of the American River, the City takes deliveries from the Natoma Pipeline, a 42-inch steel pressure pipe that originates at Folsom Dam. The Natoma Pipeline splits into two separate lines: one line to the Folsom Prison water treatment plant (WTP), and one line to the Folsom WTP. At the inlet to the Folsom WTP, the raw water line splits. A portion of the raw water is delivered to the Willow Hill Reservoir. This portion of the water has served non-potable industrial uses on the Aerojet Industrial Property (Aerojet). The balance of the water is delivered to the Folsom WTP. After treatment at the Folsom WTP, water is stored and pumped through a system of reservoirs and pumping stations to seven pressure zones. Groundwater Extraction and Treatment (GET) A and B facilities are now being used to serve most of Aerojet's non-potable water needs, which has allowed the City to reduce surface water diversions from Folsom Reservoir since 2015.

For the Ashland Service Area, water is diverted from the Folsom Reservoir and piped to the Sydney N. Peterson WTP, which is owned and operated by San Juan Water District (SJWD). After treatment, water is stored in Hinkle Reservoir until SJWD releases and pumps it to the Ashland Service Area. While SJWD provides wholesale water supplies to the Ashland Service Area, it is conveyed to customers through City infrastructure, including service connections with meters. The water delivered to Ashland Service Area derives from SJWD's water entitlements and contracts.

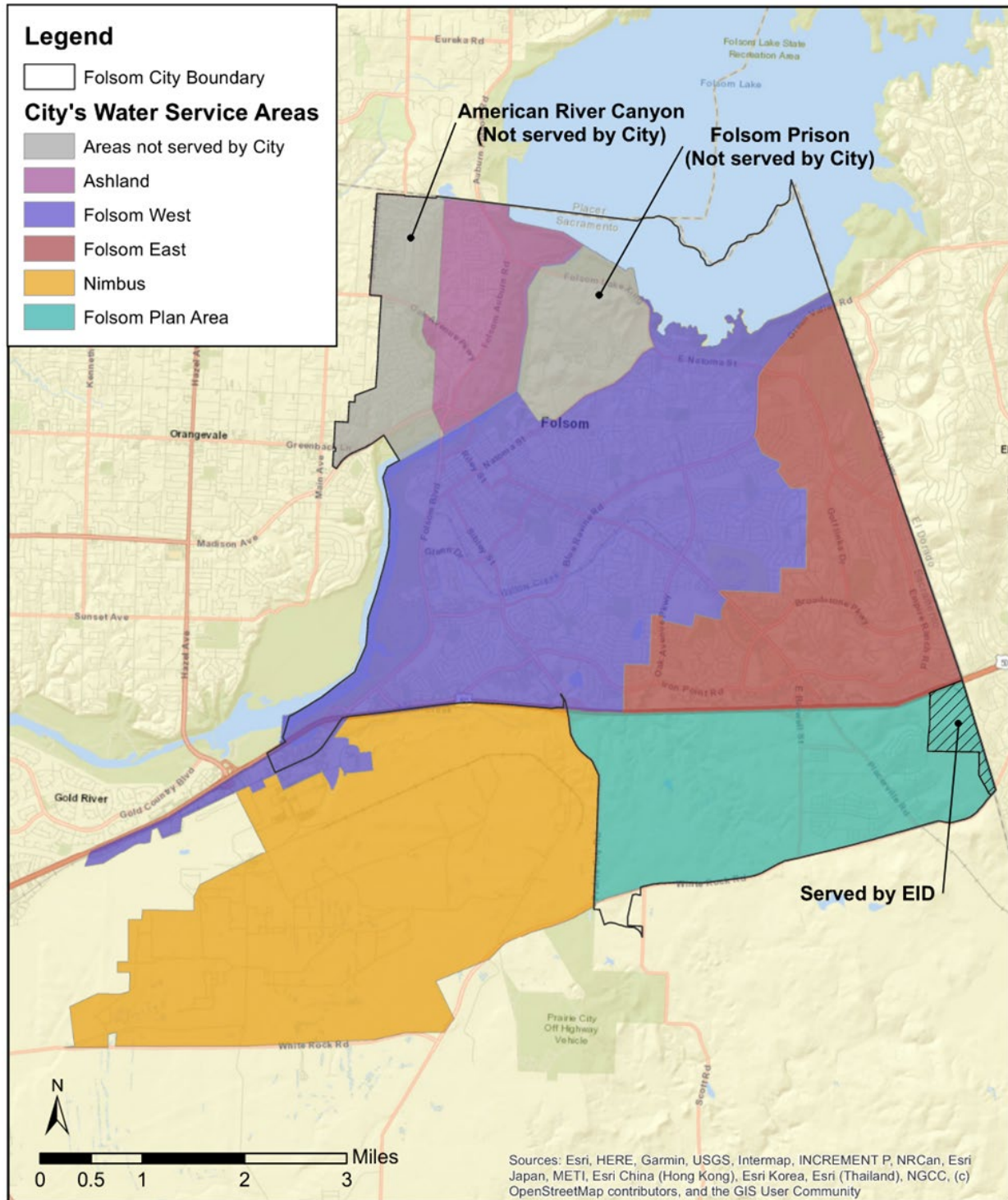


Figure 1. City of Folsom Water Service Areas

The City previously delivered raw water supplies to Aerojet at its industrial facilities; however, remediated water derived from GET A and GET B is now directly plumbed into Aerojet facilities for non-potable purposes. Even though the City does not deliver remediated water to Aerojet, the City does have rights to the remediated water, which they can utilize for non-potable use within the City's water service areas. This remediated supply could offset raw or potable water demands on the City's water system that are derived from its water entitlements and contracts and delivered from Folsom Reservoir.

The City's 2023 demands from its own surface water entitlements and contracts are approximately 17,700 acre-feet. At the peak of the City's surface water diversions from its own entitlements and contracts in 2008, total surface water diverted was 29,560 acre-feet serving a population of approximately 53,375. The 2023 population served using the City's entitlements and contracts was approximately 71,550. The overall water use reduction from 2008 to 2023 is approximately 40% while the population increased by approximately 34% during that same period.

The City's projected build-out demands derived from the City's water entitlements and contracts are approximately 25,500 acre-feet per year in 2045 to serve a population of approximately 108,530. For the Ashland Water Service Area, from San Juan Water District's water entitlements and contracts, 2023 demands were approximately 1,100 acre-feet and build-out demands are approximately 1,120 acre-feet per year. **Table 1** summarizes the City's water entitlements and contracts. The Ashland Water Service Area is mostly built-out with a 2023 population of approximately 3,400 with an expected population of 3,600 at build-out.

Table 1. Water Entitlements and Contracts

Water Rights	Supply (AFY)	Diversion Point	Place of Use	Transferable
Pre-1914 Appropriative Right	22,000	Folsom Reservoir, Folsom South Canal	Folsom Service Area	Yes
Pre-1914 Appropriative Rights	5,000	Folsom Reservoir, Folsom South Canal	Folsom Service Area	Yes
CVP Repayment Contract	7,000	Folsom Reservoir	Folsom Service Area	Yes
SJWD Agreement ¹	1,100	Folsom Reservoir	Ashland Service Area	No
GET A and GET B Supply	3,250	Direct Application	Folsom Service Area	Yes
Total Supply	38,350	--	--	--

¹ The SJWD Agreement states that the City will receive the water supply needed for the Ashland Service Area from SJWD unless there are shortage reductions required under the agreement between the City and SJWD. This water supply does not impact City's water supplies available under other Contracts.

CVP= Central Valley Project; GET= Groundwater Extraction and Treatment; SJWD= San Juan Water District

Surface Water and Groundwater Management³⁶

Some of the City's water supplies are subject to reduction under certain conditions. These conditions may manifest through (a) hydrological circumstances, like a drought; (b) the City's regional relationships, like the Water Forum; and (c) legal and regulatory constraints, like species protection in the Sacramento-San Joaquin Bay Delta, curtailment orders from the State Water Resources Control Board, or an Executive Order from the Governor. Water supply reductions impact the availability of each water asset in a different way that may impact the City's operations and long-term planning. These aspects of the City's water supplies are outlined below. The City does not currently pump any groundwater and does not have any groundwater pumps or related infrastructure to pump groundwater.

Pre-1914 Rights for 22,000 AFY

The City's 22,000 acre-feet per year (AFY) entitlement is based on a pre-1914 appropriative right from the South Fork of the American River established by the Natoma Water Company in 1851. The Natoma Water Company's original pre-1914 water right established a maximum diversion rate "to fill a Canal Eight feet wide and Four feet deep with a current running ten miles per hour." This correlates to a diversion rate of 60 cubic feet per second (cfs) and a maximum allocation of 32,000 AFY. This right is held jointly with Golden State Water Company (GSWC) pursuant to a co-tenancy agreement. The co-tenancy agreement means that both the City and GSWC have the right to use the water to the fullest extent possible as desired by the respective entities. The City and GSWC have allocated the supplies under the entire 32,000 AFY water right. The City unilaterally controls 22,000 AFY and GSWC controls the remaining 10,000 AFY.

The 1851 filing is the earliest in priority of perfected appropriative rights on the South Fork of the American River and is recorded. The entire 22,000 AFY of this water right is formally recognized in the settlement agreement between the U.S. Bureau of Reclamation (Reclamation) and the City. Under this agreement, Reclamation delivers this entire water supply without reduction on a permanent basis. This water asset may be diverted at its point of diversion in the water right itself, as well as Folsom Reservoir and Folsom South Canal pursuant to the settlement agreement between Reclamation and the City. The settlement agreement also requires Reclamation to deliver the entire supply under this water asset in all year types.

Pre-1914 Rights for 5,000 AFY

The City's 5,000 AFY entitlement is also based on Natoma Water Company's pre-1914 appropriative water right from the South Fork of the American River. In November 1994, the City executed a contract with Southern California Water Company-Folsom Division (SCWC) under which the City acquired the right to lease 5,000 AFY of water per year. As described above, SCWC controlled the remaining 10,000 AFY of the 32,000 AFY total water right under the original co-tenancy of the Natoma Water Company purchase. As such, the basis of this water asset is held with GSWC pursuant to the co-tenancy agreement, but the lease of the water asset to the City is pursuant to a lease agreement. This water right is also formally recognized in the settlement agreement between Reclamation and the City.

³⁶ The City of Folsom does not currently pump any groundwater. Although the City does not currently pump any groundwater, the City is a member of the Sacramento Groundwater Authority and the Sacramento Central Groundwater Authority.

This water asset for 5,000 AFY has the same diversion provisions as the 22,000 AFY diversion right above since both assets are derived from the same water right. Moreover, this water asset has the same priority as the 22,000 AFY water asset which makes it extremely resilient against drought conditions and regulatory curtailment.

Central Valley Project Repayment Contract for 7,000 AFY

On April 8, 1999, Reclamation entered Contract No. 6-07-20-W1372 with the Sacramento County Water Agency (SCWA) under Section 206 of Public Law 101-514, which was sponsored by Representative Vic Fazio. The contract dedicated 22,000 AFY of water, commonly called “Fazio Water,” to SCWA. The City was specifically named in the SCWA-Reclamation contract as a subcontractor to gain benefit of a portion of the Fazio Water supply. On April 25, 2000, SCWA entered a separate contract with the City to provide the City with 7,000 AFY of the 22,000 AFY of Fazio Water.

The Fazio Water supply is a standard Central Valley Project (CVP) “Project Supply” water entitlement – derived entirely from federal CVP water supplies. The sole source of supply for the Fazio Water is the American River water rights held by Reclamation for diversion and storage at Folsom Reservoir. Reclamation’s CVP rights to divert water are junior to the water rights that existed prior to the development of the CVP. The Fazio Water contract entitlement for the City is fairly reliable. In normal and wet years, the City may call upon the supply for delivery and should receive 100% allocation. In dry years, the water supply is subject to Reclamation’s Municipal and Industrial (M&I) Water Shortage Policy.

In December 2016, the City became a direct CVP Contractor, and no longer a sub-Contractor to SCWA, through a partial assignment of the City’s 7,000 AFY under Contract No. 6-07-20-1372B with Reclamation. The purpose of this assignment is to consolidate the City’s water assets derived from the City’s relationship with Reclamation to better facilitate administration of those water assets. In February 2020, the City and Reclamation executed a contract (Contract No. 6-07-20-W1372B-P) to convert³⁷ the CVP water service contract into a CVP repayment contract as authorized under the Water Infrastructure Improvements for the Nation Act.

Current Diversions

Table 2 summarizes the annual pre-1914 and CVP diversions made by the City from 2013 to 2023. These diversions all occurred from Folsom Reservoir and include both potable and non-potable uses. These totals do not include water delivered to the Ashland Service Area as that area is supplied from the SJWD water supply portfolio and not from water diverted by the City.

Table 2. Annual Diversions (2013-2023)

Year	Pre-1914 Diversions (AF)	CVP Diversions (AF)	Total Diversions (AF)
2013	23,293	1,391	22,990
2014	18,668	750	19,418
2015	16,456	450	16,906
2016	14,687	3,860	18,547
2017	15,217	4,040	19,257
2018	14,255	3,983	18,238

³⁷ At the time of signing the WFA, this and similar contract conversions are pending litigation.

Year	Pre-1914 Diversions (AF)	CVP Diversions (AF)	Total Diversions (AF)
2019	13,687	4,017	17,704
2020	15,808	2,910	18,718
2021	16,425	1,500	17,925
2022	16,794	1,000	17,794
2023	11,497	6,200	17,697

Future Projected Diversions

The future projected diversions under “normal” conditions (as shown below) are for when the Unimpaired Inflow to Folsom Reservoir (UIFR) is above 950 TAF. The City’s 2020 Urban Water Management Plan (UWMP) identified these diversions in five-year increments to 2045, which is also the planning date for build-out of the City. The current 5-year UWMP projections will serve as the basis of diversions when the UIFR is above 950 TAF. Diversions will derive from a combination of the City’s pre-1914 and CVP water supplies. **Table 3** shows the diversions under this condition.

Table 3. Future Projected Diversions

	2025	2030	2035	2040	2045
Demand Totals	20,517	22,746	24,214	25,145	25,519

Wet Conditions Management

Wet conditions will be assumed to be when the UIFR is greater than 1.6 MAF. This threshold is not considered a formal definition of what constitutes a “wet year” or “wet conditions” on the American River but was utilized in the original Water Forum agreement as a basis for surface water commitments. It is expected that additional analysis and discussions will be conducted as part of the American River Climate Adaptation Program (ARCAP) to explore and define what other potential criteria could be used to guide regional operations in wet times. Where possible, the City will support the use of regional surface water supplies to assist in regional groundwater recharge.

Drier Conditions Management

When the UIFR is between 950 TAF and 400 TAF, the City will reduce surface water diversions up to 10 percent or as required by the City’s Water Shortage Contingency Plan³⁸, whichever is greatest. The City will also reduce CVP diversions (included in the overall 10%) as required by the CVP M&I Water Shortage Policy.

Driest Conditions Management

When the UIFR is less than 400 TAF, the City will reduce surface water diversions up to 20 percent, as required by the City’s Water Shortage Contingency Plan, or as required by any mandates issued by the State of California, whichever is greatest. The City will also forego scheduling any CVP Repayment water during these conditions (included in the overall 20% or more). The City can offset surface water

³⁸ The City’s Water Shortage Contingency Plan is based on water shortage events that directly impact the availability of the City’s water supplies. The Plan is not based on the UIFR.

reductions through conjunctive use opportunities with neighboring purveyors or through water stored in existing or future surface water storage.

As an example, if the City is able to bank water in the groundwater basin and another purveyor with access to surface water and groundwater can extract the banked groundwater and use this banked water to meet their demands while at the same time reducing their surface water diversions, the City will be able to deliver this surface water to meet its customer demands. Under these arrangements, other purveyors will use groundwater in lieu of surface water equivalent to the amount that the City would continue to divert.

However, it is recognized that in years when the projected UIFR to Folsom is less than 750,000 AF there may not be sufficient water to provide the purveyors with driest year quantities specified in their agreements and provide the expected flows to the mouth of the American River. In those years, Folsom will participate in a conference year with other stakeholders on how the available water should be managed. The conferences will be guided by the conference year principles described in the Water Forum Agreement.

Critically Low Storage Conditions

The City's sources of water are all delivered through an M&I intake in Folsom Dam, which is at an elevation that would be subject to air entrainment at approximately 110,000 AF of storage in Folsom Reservoir. Because this entrainment could result in significant damage to the impellers of the pumps that Reclamation uses to pump the supplies brought through the intake to Folsom, Reclamation will install 10 floating pumps with a total capacity of 30 cfs. This arrangement will allow delivery of emergency supplies in extreme conditions even when the storage level is as low as 60,000 AF. The 30 cfs capacity of these emergency pumps is half the flow rate Reclamation is required to deliver to the City under its pre-1914 settlement agreements.

The City completed a Water Vision planning study that is a comprehensive 50-year strategy designed to secure and strengthen the City's long-term water supply. This included an analysis of risks and vulnerabilities associated with infrastructure failure and a changing climate. The primary objective was to evaluate and recommend ways to improve the reliability and redundancy of the City's water supplies, including but not limited to, a scenario of not having access to water supplies from Folsom Reservoir. Ultimately, the Water Vision developed a phasing plan with recommended projects that would diversify the City's water supply portfolio if access to current water supplies from Folsom Reservoir could not be achieved.

The City could also work with neighboring water purveyors to deliver treated groundwater through existing or new interties with the City. The City would also have to implement its Water Shortage Contingency Plan that aligns with a potential water supply shortage and would have to comply with any applicable mandates issued by the State of California.

Contributions to River Corridor Health

- Reduce direct surface water diversions from Folsom Reservoir
- Continued long-term funding for the Water Forum Successor Effort (WFSE)

- Contribute to funding for regional advocacy for the implementation of the Water Forum Agreement
- Contribute to enhanced science and monitoring along the Lower American River

Contributions to Water Supply Reliability

1. Implement conjunctive use opportunities with neighboring purveyors
2. Evaluate surface and groundwater storage options
3. Contribute to funding for regional advocacy for the implementation of the Water Forum Agreement

Demand Management

At the time of signing, key requirements are associated with the 2024 “Making Conservation a California Way of Life” regulations, Assembly Bill (AB) 1572 related to irrigation of non-functional turf with potable water, and the Model Water Efficient Landscape Ordinance (MWELO) which encourages low-water use and native landscaping for new development.

Potential³⁹ demand management actions could include the following:

- Develop programs to assist in the conversion of publicly owned, commercial, and institutional landscaping to low-water-use native landscaping
- Expand and strengthen regional conservation messaging about plant watering needs
- Provide water use efficiency rebates to residential and non-residential customers
- Track residential and non-residential customer water use and develop targeted outreach opportunities for high water use customers
- Maintain and implement water waste prevention programs
- Maintain customer outreach and communication programs to educate and inform customers of state water use efficiency requirements
- Maintain customer programs to support the implementation of Best Management Practices for the Commercial, Industrial, and Institutional (CII) sector
- Evaluate the feasibility of implementing residential customer programs that may include landscape conversions, irrigation system tune-ups, or water monitoring devices

Including any requirements identified in the California Water Code, the City commits to abiding by the relevant conservation and water use efficiency regulations, including following the water use reduction stages as set forth by the City’s most recently adopted Water Shortage Contingency Plan.

³⁹ While the list of potential demand management actions is included in the City’s PSA, future regulatory requirements or actions by the Folsom City Council may necessitate the need to update this list.

Project List and Future Water Supply Reliability Efforts

Structural

The following infrastructure projects will support efforts to implement the City's proposed PSA, and to support the Water Forum coequal objectives.

- New or improved interties with other purveyors that have access to groundwater and surface water
- Groundwater storage opportunities in the Sacramento Regional Water Bank
- Non-potable infrastructure to deliver remediated groundwater for non-potable irrigation purposes within the City's water service area
- Alternative raw water supply projects to improve reliability and redundancy of delivering raw water from Reclamation to the City consistent with existing water rights and contract flow rates and volumes

Non-Structural

The following list of non-structural projects will support efforts to implement the City's proposed PSA, and to support the Water Forum's coequal objectives.

- Agreements with neighboring purveyors for conjunctive use opportunities
- Continued water use efficiency programs for the City
- Funding for water use efficiency rebates for the City
- Conserved water transfers consistent with the California Water Code that do not negatively impact the Lower American River
- Water banking transfers consistent with the Sustainable Groundwater Management Act
- Support and participate in regional partnership opportunities with other water purveyors that provide reliability to regional water supply systems and benefits to the Lower American River
- Support, and participate as needed, SCWA and other regional partners that would consider opportunities to utilize the Freeport Regional Water Authority to benefit the co-equal objectives

Caveats and Assurances

1. The ability for any individual purveyor to implement the surface water diversion principles will depend on their respective opportunities and constraints.
2. In circumstances where excess water is made available by Reclamation by Article 3(f) of a purveyor's Water Repayment Contract or by a Section 215 Contract between the purveyor and Reclamation due to flood control or "uncontrolled season" operations at Folsom Reservoir, for the purposes of groundwater recharge, that water would not be counted as diversion water within their PSA, regardless of year type.

3. Support for the development of redundant water supplies that do not negatively impact the co-equal objectives of the Water Forum Agreement and are consistent with the existing water rights and contract volumes included in the City's 2035 General Plan (amended and adopted on August 27, 2024).
4. Water demands in future UWMPs shall be re-visited and updated in the surface water diversions table.
5. Proposed reductions in surface water diversions shall demonstrate a positive impact to the fisheries or habitat along the Lower American River, i.e., the City is not reducing diversions only for the sake of reducing diversions.

Future regulatory changes may require modifications to dry-year actions because achieving certain reductions may not be feasible or achievable.



WATER FORUM AGREEMENT

2050

City of Roseville Purveyor Specific Agreement

Updated: January 8, 2026

Purveyor Background

The City of Roseville Environmental Utilities Department (Roseville) is a public utility owned and operated by the City of Roseville, providing drinking water, wastewater, recycled water, and waste services to the Roseville community.

Roseville recognizes that climate change, population growth, and regulatory requirements are creating increasing challenges in balancing water supply and demand. Groundwater and surface water alike are under pressure, and Roseville is committed to advancing sustainable solutions that protect both resources for future generations, while maintaining our commitment to the health of the lower American River (LAR).

To address these challenges, Roseville participated in the American River Basin Study (ARBS) that was completed in 2022. The study was developed by the U.S. Bureau of Reclamation (Reclamation) in partnership with Roseville and other regional water agencies. Building on earlier statewide studies, the ARBS focused specifically on the American River Basin; developing tools, analyses, and climate adaptation strategies to strengthen water supply reliability, protect endangered species, and support sustainable reservoir operations. Roseville's participation reflects our awareness of climate change challenges and our commitment to working collaboratively with local, state, and federal partners to bring forward long-term, regional water solutions for our community, the region, and the LAR.

In addition, Roseville has embraced the requirements of the Sustainable Groundwater Management Act (SGMA) and is an active member of the West Placer Groundwater Sustainability Agency (WPGSA), which manages a portion of the North American Subbasin alongside Placer County, the City of Lincoln, Placer County Water Agency (PCWA), and California American Water. Through this partnership, Roseville and our Groundwater Sustainability Agency Partners are implementing a Groundwater Sustainability Plan (GSP) that protects against groundwater overdraft, supports reliable supplies for residents, agriculture, and businesses, and contributes to land and habitat conservation.

Roseville also continues to expand our Aquifer Storage and Recovery (ASR) program as part of a conjunctive use strategy, which is further discussed in this Purveyor Specific Agreement (PSA). This innovative approach safeguards our groundwater basin, improves regional resilience, secures reliable

water supplies and can be used in a conjunctive way to benefit the LAR, particularly during the driest years.

Together, these efforts underscore Roseville's commitment to climate change adaptation, groundwater sustainability, and regional collaboration, helping to ensure a resilient water future for our community, the region, and the LAR.

With these challenges, Roseville has developed diversity in its water supply and its water infrastructure over the past three decades to become more resilient and positioned to meet the Water Forum's coequal objectives of water supply reliability and river corridor health.

The primary water supply for Roseville is surface water diversions from Folsom Reservoir. Roseville has contracts with Reclamation for up to 32 thousand acre-feet (TAF) of water per year, and PCWA for up to 34 TAF per year. Raw water from Folsom Reservoir is conveyed to Roseville's water treatment plant in the Granite Bay area and is then distributed through Roseville's 600 miles of water mains to customers. Current surface water entitlements total around 66 TAF per year. Roseville maintains options for an additional 10 TAF of water supplies from PCWA, and although those options are contractually available, they have not yet been exercised.

Roseville also currently has 7 Aquifer Storage and Recovery (ASR) wells providing a maximum extraction capacity of 23.5 TAF/year. Roseville is planning to expand their groundwater program to have a more robust water supply available in the event of a water shortage. Roseville's ASR program also has the capacity to inject approximately 11 TAF of treated water back into the groundwater basin.

Roseville has a Recycled Water Program with source water from two regional wastewater treatment plants that operate with an annual production rate of approximately 3.8 TAF of recycled water annually. This water serves the landscape watering needs of parks, golf courses, and medians in the newer western section of Roseville.

Roseville has 17 interties with the surrounding purveyors including PCWA, San Juan Water District (SJWD), California-American Water Company, Citrus Heights Water District, and Sacramento Suburban Water District (SSWD).

Roseville has invested heavily in long-term water efficiency efforts over the last couple of decades, and, as per capita water use has declined, water demands have remained relatively stable despite population growth in the area.

Surface Water and Groundwater Management

The following sections outline the opportunities for Roseville to contribute to both of the Water Forum coequal objectives, while adhering to the guiding principles for surface water diversions.

1. Roseville intends to prioritize alternative water supplies to surface water supplies from the American River system in dry conditions to provide flow and water quality⁴⁰ benefits for the LAR, such as:
 - Pursuing opportunities for increased groundwater pumping to allow surface water to remain in the LAR.

⁴⁰ Including temperature, dissolved oxygen, and potentially other characteristics.

- Pursuing opportunities for increased diversions from the Sacramento River as an alternative to surface water from the American River system.
- 2. Ensure surface water commitments are in balance with regional efforts for groundwater sustainability.
 - Prioritize surface water diversions in wet conditions to allow groundwater recharge.
- 3. Protect regional surface water entitlements to ensure local control of water to benefit the coequal objectives, with the following benefits:
 - Enabling contributions to river corridor health.
 - Reducing surface water diversions from Folsom Reservoir in the driest conditions.
 - Contributing to water supply reliability.
 - Enabling the expansion of groundwater infrastructure to allow for conjunctive use.

Current and Projected Surface Water Diversions

Current Roseville demands are approximately 32 TAF per year, including ASR, and are expected to grow to just under 63 TAF per year in 2040.

Wet Conditions Management

Roseville's intent for managing surface and groundwater under wet conditions is to follow the groundwater management guiding principles in the Water Forum Agreement 2050 (WF2050), as follows:

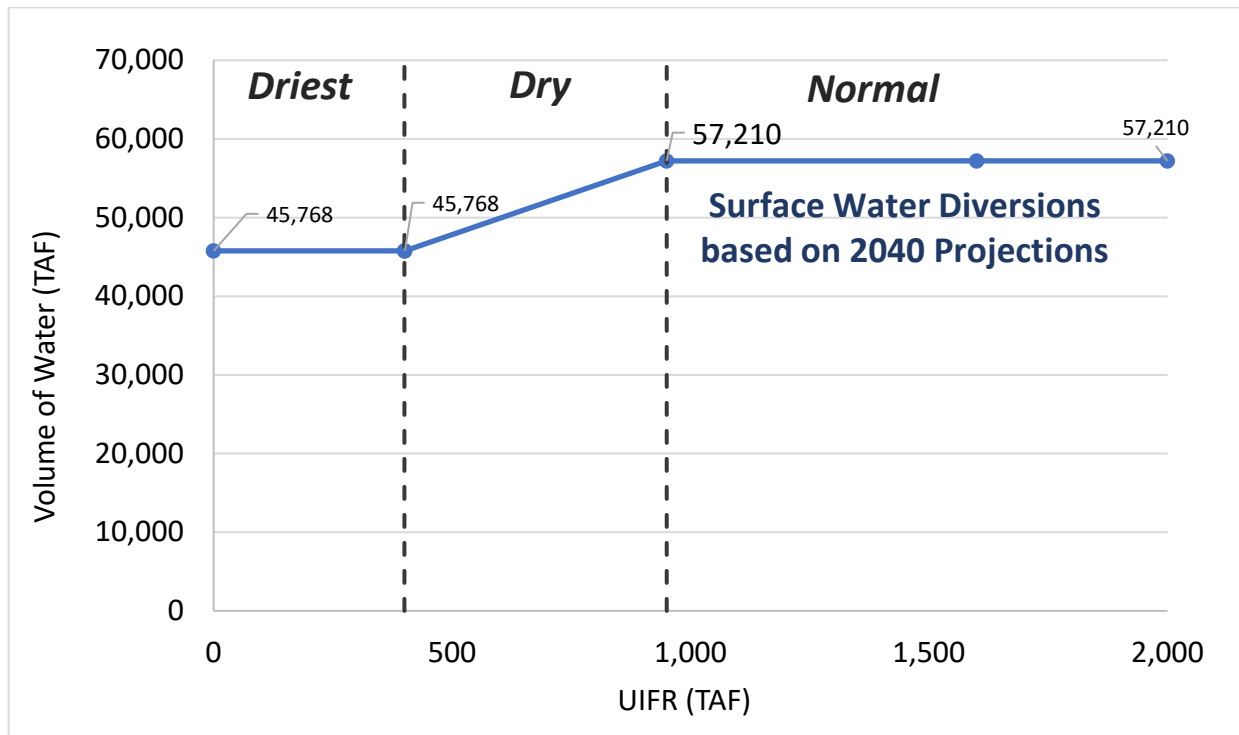
- Support conjunctive management of regional groundwater basins with surface water supplies to enhance water supply reliability and provide flow and water quality benefits to the LAR.
- Prioritize use of groundwater in dry conditions to help mitigate the impacts to surface water shortages in the LAR by supplementing Central Valley Project (CVP) water allocations from the American River with groundwater using our existing and planned aquifer storage and recovery wells.
- Work with Reclamation to maximize groundwater recharge with Repayment Contract Article 3(f) water⁴¹ during wet years⁴² with the goal of minimizing impacts to the LAR.
- Participation with our regional partners in the Sacramento Regional Water Bank Project.
- Continued investments in Aquifer Storage and Recovery (ASR) facilities.
- Commitments related to reduced surface water diversions that are based on hydrologic conditions.

⁴¹ Article 3(f) water is what Reclamation provides currently, when available, based on Reclamation's preference. Section 215 water has been available to Roseville by Reclamation in the past. As such, the source of the water made available for recharge purposes has varied and may vary in the future.

⁴² Wet conditions will be assumed to be when the Unimpaired Inflow Folsom Reservoir (UIFR) is greater than 1.6 MAF. This threshold is not considered a formal definition of what constitutes a "wet year" or "wet conditions" on the American River but was utilized in the original Water Forum agreement as a basis for surface water commitments. It is expected that additional analysis and discussions will be conducted as part of the American River Climate Adaptation Program (ARCAP) to explore and define what other potential criteria could be used to guide regional operations in wet times.

Drier Conditions Management

The sections below describe the proposed commitments in Baseline (Normal), Dry, and Driest conditions. The proposal follows the existing Water Forum Agreement structure with Unimpaired Inflow to Folsom Reservoir (UIFR) as the index. The levels of surface water diversions are proposed to be updated based on 5-year projections for demand estimates as reported in Roseville's Urban Water Management Plan (UWMP). These diversions would be updated based on each 5-year update to the Roseville UWMP.



Normal Conditions

Normal conditions would be defined as when the UIFR is projected to be **greater than 950 TAF**. In normal conditions, Roseville's surface water diversions would be defined by the most recent UWMP's 5-year projected demand. Roseville's strategy in normal years is to not pump groundwater from groundwater wells in excess of what was injected, thus creating a bank of water for future use.

Dry Conditions

Dry Conditions could be defined as when the **UIFR is between 950 TAF and 400 TAF**. In the first Water Forum Agreement, surface water commitments during these conditions generally follow a "wedge" shape (decreasing linearly from normal levels to the driest conditions). Per Roseville's 2020 Water Shortage Contingency Plan (WSCP), if a significant drought stage is reached, Roseville can pump additional groundwater to augment its surface water supply and make up for deficits of the surface water supply. Roseville continues to invest in development of groundwater infrastructure to increase supply reliability in times of drought, however in any given year type, Roseville must make determinations of drought stage without consideration of groundwater supplies, per the terms of the Roseville Municipal Code.

In both Dry and Driest hydrological year types, Roseville committed to forego 4,460 AF of surface water in 3 out of 8 years to support the health of the LAR. The American River Terms for Ecosystem Support and Infrastructure Assistance Needs (ARTESIAN) project agreement with the Regional Water Agency (RWA) was created to govern the administration of California Department of Water Resources (DWR) funds provided to RWA on behalf of the participants for early implementation of the American River region's 2019 Voluntary Agreement proposal.

In consideration of the funding provided by DWR under this Funding Agreement, the American River water suppliers who receive that funding agreed to jointly provide 30,000 acre-feet of groundwater-substitution water to augment, through Reclamation's operation of Folsom Dam and Reservoir as part of coordinated CVP and State Water Project (SWP) operations, stream flows in the LAR in each of three out of eight 8 years beginning in 2025. Each of those three years will be either a critical or dry year on the Sacramento Valley Index under the State Water Resources Control Board's Revised Decision 1641. This commitment is referred to as the "Flow Contribution" and each annual contribution is referred to as an "Annual Flow Contribution." Roseville, as a Participant in the RWA joint powers agreement and a recipient of grant funding, has committed to 4,460 AF.

Driest Conditions

The driest conditions are proposed to be defined as when the UIFR is 400 TAF or lower. In the driest conditions, Roseville proposes to reduce surface water diversions from Normal Diversions by 20%. This proposal is specific to surface water diversions and is not to be confused with demands. Roseville's WSCP guides operations and demands based on expected supply availability. Per Roseville's 2020 WSCP, if a significant drought stage is reached, Roseville can pump additional groundwater to augment its surface water supply and make up for deficits. Roseville continues to invest in development of groundwater infrastructure to increase supply reliability in times of drought, however in any given year type, Roseville must make determinations of drought stage without consideration of groundwater supplies, per the terms of the Roseville Municipal Code.

Critically Low Storage Conditions

Roseville's sources of surface water are all delivered through a municipal and industrial (M&I) intake in Folsom Dam, which is at an elevation that would be subject to air entrainment at approximately 110,000 AF of storage in Folsom Reservoir. Because this entrainment could result in significant damage to the impellers of the pumps that Reclamation uses to pump the supplies brought through the intake to Roseville, SJWD, and the city of Folsom, this level of storage is likely to cause "dead pool" conditions, which to date, has never occurred.

If the water level drops below the M&I intake, Reclamation would use an emergency pump on one of the three power penstocks in the dam to deliver water to Roseville and SJWD and floating barges to deliver water to Folsom. The emergency pump has a capacity of 60 cfs (43,500 AF/yr), and the barges have a capacity of 30 cfs. These facilities would allow Reclamation to access water in Folsom Reservoir between the 110,000 AF at which the M&I intake goes dry and the approximately 53,000 AF storage level at which the power penstocks go dry.

To further prepare for and mitigate this possible "dead pool" scenario, below are the current and future emergency plans on how Roseville would navigate a "dead pool" scenario at Folsom Reservoir. Additional information is provided in the Project List and Future Water Supply Reliability Efforts.

Current conditions

Max Day Demand = 55 million gallons per day (MGD)

Emergency pump at Folsom Reservoir = 19.4 MGD

- Demand Reduction at 20% realized water conservation = 11 MGD. Implement immediate water conservation to reduce customer demand during this emergency, using the powers prescribed in the Roseville Municipal Code and the City's Water Shortage Contingency Plan.⁴³
- ASR Well Production = 16.7 MGD. Immediately activate Roseville's Aquifer Storage and Recovery (ASR) Wells.⁴⁴
- Activate emergency interties = 17.3 MGD. Through mutual aid and other agreements request emergency water from PCWA and SSWD.

Buildout conditions

Max Day Demand (MDD) at buildout = 100 MGD

Emergency pump at Folsom Reservoir = 19.4 MGD

- Demand Reduction at 20% realized water conservation = 20 MGD. Implement immediate water conservation to reduce customer demand during this emergency, using the powers prescribed in the Roseville Municipal Code and the City's Water Shortage Contingency Plan.
- ASR Well Production = 25.9 MGD. Immediately activate Roseville's Aquifer Storage and Recovery (ASR) Wells.⁴⁵
- Utilize capacity from future water supply reliability projects:
 - Raw Water Pipeline (Middle Fork Project Supply) via PCWA: 10 MGD
 - RiverArc Project: 57 MGD

Summary of Dry Conditions Management

Roseville has strategically positioned itself to meet current and buildout water demands while enhancing supply reliability and supporting environmental stewardship of the LAR. Through a combination of diversified water sources, infrastructure investments, and collaborative regional planning, Roseville demonstrates its commitment to long-term water sustainability.

Current Demand & Supply Capacity:

- MDD: 55 MGD
- For Critically Low Storage Conditions
 - With a planned 20% target demand reduction via water conservation (Revised MDD: 44.0 MGD)
- Available Supply
 - Emergency pump at Folsom Reservoir: 19.4 MGD
 - ASR Extraction Capacity: 16.7 MGD

⁴³ Roseville's Municipal Code requires water conservation levels for each drought stage; from 10% for a stage one drought and up to 50% for a stage five drought.

⁴⁴ Currently, Roseville has 7 active ASR wells with a production capacity of 16.7 MGD.

⁴⁵ Four additional ASR wells are planned by 2028 increasing the production capacity to 25.9 MGD of groundwater to serve to our customers' demands under mandatory water conservation.

- Emergency interties: 17.3 MGD
- TOTAL Projected Available Supply = 19.4 + 16.7 + 17.3 = 53.4 MGD

This summary reflects a supply capacity that exceeds projected demand, which Roseville plans to leverage as a key strategy for mitigating critically low storage conditions.

Buildout Demand & Supply Capacity:

- MDD: 100 MGD
- For Critically Low Storage Conditions
 - With a planned 20% target demand reduction via water conservation (Revised MDD: 80 MGD)
- Available Supply
 - ASR Extraction Capacity (11 wells): 25.9 MGD
 - Raw Water Pipeline (MFP Supply) via PCWA: 10 MGD
 - RiverArc Project: 57 MGD
 - TOTAL Projected Available Supply = 25.9 + 10 + 57 = 92.9 MGD

This summary, a conservative approach (without the emergency pump at Folsom, and without supply from emergency interties) reflects a supply capacity that exceeds projected demand, which Roseville plans to leverage as a key strategy for mitigating critically low storage conditions. These enhancements create resilience during critical shortage conditions such as droughts or potential “dead pool” scenarios at the Folsom Reservoir.

Through these efforts, the City of Roseville continues to be a regional leader in integrated water resource management, supporting both water supply reliability and the ecological health of the LAR.

Demand Management

Roseville understands that Water Code Section 10632 (a)(3)(A) requires purveyors to plan for reductions of 10%, 20%, 50%, and beyond. Roseville’s current Water Shortage Contingency Plan (WSCP), as approved by the City Council, stipulates a 20% reduction in demand at a Stage 2 shortage level (when annual supplies are expected to meet 80% of the expected demand). The WSCP also includes shortage levels up to Stage 5 when supplies are only projected to meet 50% of the demands. The WSCP would continue to guide Roseville’s operations and if supplies were projected to be reduced to a level requiring greater reductions, those reductions would be implemented.

To meet long-term water use targets associated with the 2024 “Making Conservation a California Way of Life” regulations and other state ordinances and ensure a sustainable supply, Roseville implements a comprehensive set of Demand Management Measures (DMMs) as outlined in its UWMP.

Core DMMs per Water Conservation Act of 2009 (Senate Bill X7-7) Requirements

- **Water Waste Prevention Ordinance:** Enforced through patrols and public reporting to curb non-essential use.
- **Metering Program:** Allows for efficient usage tracking and leak detection.
- **Conservation Pricing:** A uniform rate structure reflects true water cost and encourages efficient use.

- **Public Education & Outreach:** Ongoing campaigns, school programs, and exhibits at the Utility Exploration Center, a facility that focuses on educating Roseville customers, promote water-saving behaviors.
- **System Loss Management:** Annual audits, in-house and third-party leak detection, and potable water pipeline rehabilitation projects help reduce water loss.
- **Program Coordination & Staffing:** Certified staff manage and implement conservation programs and customer engagement initiatives.

Current Residential & Commercial Conservation Programs

- **Residential:** Includes Water Wise House Calls, toilet replacement rebates, turf replacement (“Cash for Grass”), irrigation rebates, and landscape water budget tracking.
- **Commercial:** Offers irrigation budgets and surveys, customized rebates for irrigation and appliances, and interior water use audits.
- **Additional Measures**
 - Water waste investigations
 - Advanced Metering Infrastructure (AMI) program monitoring
 - High water use investigations

Other Ongoing Conservation Efforts

- Monthly water use reporting (SB 606 & AB 1668)
- Ban on wasteful practices (SB 606 & AB 1668)
- Leak reduction initiatives (SB 606 & AB 1668)
- Model Water Efficient Landscape Ordinance (MWELO) enforcement and annual reporting to DWR
- Developing policy for non-functional turf (AB 1572) compliance
- Ongoing Roseville Municipal Code revisions to align with state water use regulations (AB 1572)
- Cross-departmental collaboration to ensure compliance with non-functional turf requirements (AB 1572)

Regional Collaboration

- **RWA Partnership:** Continued expansion of education and awareness through the Regional Water Efficiency Program (WEP) - Roseville participates in outreach, rebates, events, and award-winning campaigns such as “Summer Strong” and “Your Weekend, Your Rules,” reaching millions across the region.

Future Plans

To continue to ensure that Roseville is meeting the goals and targets of the 2024 “Making Conservation a California Way of Life” regulations, Assembly Bill (AB) 1572 related to irrigation of non-functional turf with potable water, and the Model Water Efficient Landscape Ordinance (MWELO), the following proposed combination of strategies are future considerations.

- Expand customer access to real-time water use data through AMI portal enhancements to continue to create awareness of water use and consistently influence behavior for lower water use.

- Enhance outdoor water education efforts via the Inspiration Garden for both residential customers and commercial businesses.
- Continuously adapt programs based on effectiveness, funding availability, and community needs.

Caveats and Assurances

- If, and when, the City of Roseville exercises all or part of the additional 10 TAF of PCWA water, Roseville's PSA and all information herein will be updated upon written notice to the Water Forum.
- In circumstances where excess water is made available by Reclamation by Article 3(f) of Roseville's Water Repayment Contract or by a Section 215 Contract between Roseville and Reclamation due to flood control operations at Folsom Reservoir, for the purposes of groundwater recharge, that water shall not be counted as diversion water within this PSA, regardless of year type.
- Future projects and investments are described in a point in time and project aspects and details may be subject to change, at Roseville's sole discretion, to meet its water supply reliability objectives.
- Roseville and other signatories to this agreement, via the RiverArc Project, have proposed to divert water from the Sacramento River rather than diverting from the American River under certain hydrologic conditions. This would allow water to continue to flow down the LAR. Signatories conceptually endorse this RiverArc Project, subject to environmental analysis of the impact to the Sacramento River. This RiverArc Project will require certain changes to Roseville's CVP contract, including an additional point of diversion on the Sacramento River. Roseville's CVP place of use is unchanged at this point in time and still remains within the limits of Roseville. Signatories will endorse these changes to Roseville's CVP contract subject to continued endorsement of the RiverArc Project.

Project List and Future Water Supply Reliability Efforts

The following projects are key to Roseville looking out to 2040 and are designed to increase water supply reliability for Roseville and have the potential to support the Water Forum's coequal objectives.

Additional ASR Wells

Additional construction of ASR wells, with four additional ASR wells planned to be completed by the late 2020's or early 2030's, which would add 9.2 MGD to Roseville's groundwater production capacity available for emergency use; with current efforts underway to identify additional infill property that could house more ASR wells in the future. Addition of ASR wells to the service portfolio can be constrained by available land, suitable hydrogeology, and water quality. The number of additional wells, beyond the additional four planned, will be determined based on these constraints, among others.

Raw Water Pipeline

With a joint venture project between PCWA, the U.S. Army Corp of Engineers (USACE), and the City of Roseville, Roseville intends to utilize the Raw Water Pipeline to access the Roseville's existing American River Middle Fork Project (MFP) raw water supply by constructing a direct pipeline from PCWA's Foothill Raw Water Pipeline to Roseville's Barton Road Water Treatment Plant (reducing reliance on the water

intake at Folsom Reservoir). Roseville anticipates earliest completion of this facility will be the late 2030's or beyond. This project is intended as a redundant way to access already contracted MFP water supplies and mitigate the potential future risk of "dead pool" conditions at Folsom Reservoir's intake structure where almost all Roseville's surface water conveyance capacity is for both CVP and PCWA MFP surface water supplies. *This denotes the project in a point in time and project aspects and details may be subject to change to meet this water supply reliability objective.*

Treated Water Capacity Improvements

Preliminary feasibility assessments are being conducted to evaluate future treated water capacity improvements in PCWA's and Roseville's systems, including shared interties to build more capacity to serve water demands to Roseville, in case there is an emergency, or in the event that Roseville experiences a constriction of water supply deliveries due to "dead pool" conditions at Folsom Reservoir. *This denotes the project in a point in time and project aspects and details may be subject to change to meet this water supply reliability objective.*

Projects at Folsom Reservoir

Support water access projects at Folsom Reservoir that increase intake infrastructure redundancy and reduce the risk posed to water supplies by potential future "dead pool" conditions.

The Folsom Reservoir Raw Water Delivery Reliability Project seeks to improve the reliability of delivery of senior water rights by Reclamation pursuant to settlement contracts for CVP water from Folsom Dam to the City of Folsom, Roseville, and SJWD. These three entities (collectively, Partners) share a single municipal and industrial (M&I) water supply intake within Folsom Dam that can become inoperable because of mechanical/structural failure, disaster, or low reservoir water levels. The ARBS, recently prepared by Stantec in collaboration with Reclamation and water purveyors in the region, projected that climate change will likely worsen with associated impacts to the American River watershed, including deterioration of water supply and delivery reliability for the Partners.

The project objectives are to develop engineering alternatives to secure a reliable water delivery system from Folsom Reservoir under a wide range of hydrologic conditions and emergencies to meet the Partners' demand requirements during:

1. Planned outages for maintenance of Reclamation facilities,
2. Unplanned outages, and
3. Low lake levels potentially occurring under drought conditions.

The Partners have been evaluating multiple alternatives for redundant intake structures and pump stations or siphons located at/or in the vicinity of the Folsom Reservoir. Additional future meetings and efforts between the stakeholders and Reclamation are necessary to arrive at the best-fit solution for the stakeholders, which would further clarify project concepts, implementation logistics, potential cost optimization, funding opportunities, and proponent responsibilities.

RiverArc Project

With investment in the RiverArc Project, Roseville intends to secure 20 MGD (22,403 AFY) of Sacramento River surface water in the 2030's; and an additional 37 MGD (41,445 AFY) in the 2040's, as an alternative to diverting water from the American River in dry or drought conditions. Once operational, this project

could significantly reduce diversions from the American River by up to 57 MGD (63,848 AFY). This alternative CVP supply diversion will be delivered via new transmission mains to Roseville's potable water distribution system in the western side of Roseville. The current project partners are in the very early stages of the project, developing the Environmental Impact Report (EIR) and project description. An analysis to determine whether Sacramento River water will be available for diversion at this facility under a wide range of hydrologic conditions will be conducted as part of the CalSim modeling portion of the EIR. CalSim is the model used to simulate SWP and CVP operations. These findings from the EIR should also be incorporated into the ARCAP analysis. The final project size and scope will depend on EIR findings, project costs, and Roseville's water reliability needs at the time of project implementation.



WATER FORUM AGREEMENT

2050

City of Sacramento Purveyor Specific Agreement

Updated: December 19, 2025

The City of Sacramento (City) is committed to supporting good stewardship of the American River watershed and recommits its membership in the Water Forum as a model for this effort. The City will continue its advocacy for the health of the river through actionable, meaningful efforts supporting cold water carry-over at Folsom reservoir, the Modified Flow Management Standard (MFMS), habitat restoration efforts, a new temperature control device at Folsom, and advocacy at the federal level with our U.S. Bureau of Reclamation (Reclamation) partners to balance the Water Forum coequal objectives. Achieving the co-equal objectives requires action every year. The City will also continue its commitment to water affordability, water efficiency and to “house” the many administrative functions of the Water Forum as a City entity to support the greater good of a healthy watershed. The Water Forum has endeavored to provide “peace on the river” while knowing that a healthy water supply is reliant upon a healthy river.

Purveyor Background

Service Area

The water system began providing service in the City in approximately 1854. Today, the City’s retail water service area covers approximately 63,182 acres within a boundary that is largely contiguous with the City limits. The Sacramento Suburban Water District (SSWD) serves a small portion of City residents and businesses on the eastern side of the City, and the water system serves a number of customers in the unincorporated portion of the County of Sacramento (County) adjacent to the service area of California American Water (Cal Am). The population within both areas is roughly equivalent. The City wholesales water to Cal Am, SSWD, Natomas Unified School District (NUSD), and Sacramento County Water Agency (SCWA) for service to Sacramento International Airport and Metro Air Park, a 1,320-acre business park, and wheels water to the SCWA for the South Sacramento Zone 40 service area. The differentiation between the terms “wholesale” and “wheeling” are a function of water rights accounting. In either case, the City is treating and delivering potable water through its distribution system to those customers. In addition to SSWD, Cal Am, and SCWA, additional water agencies such as Tokay Park Water Company, Golden State Water Company, and Florin County Water District share (in whole or in part) the approved place-of-use (POU) to receive surface water from American River entitlements through potential wholesale arrangement.

The City uses the same surface water treatment facilities, groundwater wells, storage tanks, pumping facilities, and distribution/transmission pipelines to deliver water to retail, wholesale, and wheeling customers. The water system operates as a single network, with supplies from one source of water being interconnected within the system to meet demands.

Water System Facilities

The water system includes two surface-water treatment facilities, groundwater wells, storage facilities, pumping facilities, and distribution/transmission pipelines. The City maintains eight metered wholesale/wheeling connections to adjacent agencies and 21 emergency interties.

Water Treatment Plants

The City treats surface water diverted from the Sacramento and American Rivers through the Sacramento River Water Treatment Plant (SRWTP), while the E.A. Fairbairn Water Treatment Plant (FWTP) treats surface water diverted from the American River.

Sacramento River Water Treatment Plant

Water diversion and treatment from what is now known as the SRWTP began in the early 1900's. By 1924, with improvements to filtration and chlorination, the capacity was 32 million gallons per day (MGD), followed by a near-term doubling to 70 MGD. The facility treats water diverted approximately one-half mile downstream of the American River confluence with the Sacramento River. A new intake structure was completed in 2004. The most recent major project in 2016 returned SRWTP peak capacity to 160 MGD. The project included rehabilitation and replacement work on the sedimentation basins, high-service pump station, filters, solid dewatering facilities, and electrical switchgear. Operation of SRWTP at 160 MGD is limited to the period from May 15 to September 30 of each year, which includes the warmer summer months when peak capacity is needed. At other times of the year the treatment is limited to 120 MGD. The actual available capacity of SRWTP may also be adversely affected by drought conditions if low river elevations reduce the operating efficiency of supply pumps. A project to rejuvenate aging infrastructure and potentially add advanced water treatment technology to adapt to climate-induced water quality changes is being planned and environmental documentation is being developed, along with potential expansion to meet future demands.

E.A. Fairbairn Water Treatment Plant

The FWTP is located on the American River approximately seven miles upstream of the confluence of the American and Sacramento Rivers. The FWTP began operation in 1964 and has a current design capacity of 200 MGD following an expansion completed in 2005. Currently, the State Water Resources Control Board (SWRCB) Division of Drinking Water (DDW) permitted the FWTP with a capacity of 160 MGD. The facility is further constrained by "Hodge" and "Conference year" conditions (described in greater detail later in this document) that the City agreed to in the original Water Forum Agreement and subsequently added to its binding water rights documentation with the SWRCB. Currently, pursuant to the City's capital infrastructure planning schedule, facility production is maintained at 100 MGD or below. A project to rejuvenate aging infrastructure and potentially add advanced water treatment technology to adapt to climate-induced water quality changes is currently being planned and environmental documentation is being developed.

Groundwater Wells

The City currently has 22 wells permitted by DDW in the North American Subbasin and the South American Subbasin that are connected to the potable water system, with a current production capacity of approximately 5-20 MGD. The majority of these wells have been in service for 50-80 years and are nearing the end of useful life. The range in capacity is largely a function of recurring maintenance and adaptation to evolving water quality standards. Between 2015 and 2024, the City completed a groundwater infrastructure master plan and Environmental Impact Report for the systematic replacement of nearly all its well inventory. That information is incorporated into approved Groundwater Sustainability Plans in the North and South American Subbasins. Capacity and flexibility of operations is expected to change over time as facilities are replaced. These forecasted changes are also included in the relevant Groundwater Sustainability Plans and developing programs like the Sacramento Regional Water Bank.

The City maintains a policy that irrigation areas of greater than 5 acres consider utilizing non-potable irrigation wells or recycled water for dedicated irrigation purposes. Examples of this can be found at locations such as William Land Park, Sacramento Historic City Cemetery, or Bartley Cavanaugh Golf Course. A small number of City residents and businesses own and operate private wells for onsite use. The City does not manage, test, control, or meter privately owned wells.

Additional Sources of Water

Two of the City's previously described wholesale interties are designed to allow both the delivery of water from the City to the adjacent water agency and the receipt of potable water from those agencies to the City. Both facilities are permitted by the State of California. The first is with SSWD, which can deliver up to 17 MGD of potable groundwater to the City. The second intertie is with SCWA which can deliver up to 10 MGD of groundwater. The City would look to these facilities to support programs that leave water in the river during periods of water scarcity such as groundwater substitution transfers, leaving surface water in the ecosystem without rediversion under an agreement with the State of California, to augment City-operated supply facilities in the event of an emergency, and to support the development of more robust region-wide conjunctive use programs (e.g., Sacramento Regional Water Bank).

Surface Water Supplies

Between the City's various surface water entitlements and agreements with other parties, the following table identifies the volumetric limits of its water supplies per City contract with Reclamation. The City also maintains a history of diverting water from the Sacramento River under "Pre-1914" entitlements, but that is exclusive to the Sacramento River. American River entitlements can be taken at the FWTP or the SRWTP facilities. The Sacramento River permit (Permit 992) and two of the four American River permits (Permits 11358 and 11361) provide for the direct diversion of water. Two of the four American River permits (Permits 11359 and 11360) provide for both direct diversion as well as rediversion of previously stored water in various reservoirs from Nimbus to the upper reaches of the American River Basin.

Table 1. Surface Water Supplies – Projected

Water Source	Projected Water Supply Volume				
	2025	2030	2035	2040	2045
Sacramento River	81,800	81,800	81,800	81,800	81,800
American River	228,000	245,000	245,000	245,000	245,000
Total	309,800	326,800	326,800	326,800	326,800

Notes: Units are in acre-feet (AF). The above values are non-inclusive of City Pre-1914 water supplies

Pre 1914 Rights

Independent of the Sacramento River and American River permits, the City claims and maintains a Pre-1914 entitlement for 75 cubic feet per second (CFS) with a priority date of 1849. The POU for Pre-1914 rights is not limited in the same fashion as other City permits.

Reclamation Operating Contract

The City's ability to use its permits for the Sacramento and American Rivers is subject to the provisions of the "Operating Contract Relating to Folsom and Nimbus Dams and Their Related Works and to Diversions of Water by the City of Sacramento," Contract No. 14-06-200-6497, entered in 1957 by the City and Reclamation. Under the contract, the City agreed to limit its combined diversion under its American River water right permits to a maximum rate of 675 CFS, and a maximum amount that may scale up to 245,000 acre-feet (AF) a year by the year 2030. The City also agreed to limit diversion under its Sacramento River post-1914 water right permit to a maximum rate of 225 CFS and a maximum amount of 81,800 MG per year. This limits the City's total diversions of Sacramento and American River water under the contract to 326,800 AF per year. In return, the Operating Contract requires Reclamation to operate its facilities to make enough water available in the rivers to enable the agreed-upon diversions by the City. The agreement is permanent and not subject to renewal.

Surface Water and Groundwater Management

The production facilities in the water system are interconnected and operated in a dynamic fashion. The City utilizes its various facilities to meet demands and other water resources mandates. Operational limitations to meet minimum levels of service (e.g., water pressure, water quality, fire suppression support) for customers do exist. So, while certain flexibility exists to shift between sources, it is not without limit.

Generally, the City equally balances surface water operations between the SRWTP and FWTP to optimize level of service delivery to customers and reduce the need for any one facility to operate at unusually high energy load. That said, the City has, and intends to continue, a practice of preferentially shifting from either SRWTP or FWTP to maintain the level of service needs, if one river or another is under pressure, or if raw water quality is notably different. The need to deliver clean, safe drinking water with an adequate level of service per all legal, permit, and policy direction of the Sacramento City Council will remain at the forefront of operational decisions of the water system.

The City includes the instantaneous (Hodge) and annual diversion limitations (Unimpaired Inflow to Folsom Reservoir (UIFR) < 400TAF) at FWTP as part of its long-range infrastructure planning.

When conditions allow, the City will reduce overall surface water operations and preferentially shift to groundwater. Drivers for this action may be overall poor surface water hydrologic conditions, opportunities for groundwater substitution transfers that leaves surface water in the ecosystem until delivered to a downstream user, managed actions as part of the Sacramento Regional Water Bank whereby the City will extract groundwater that has previously been recharged and stored in the basin, or a recently approved set of agreements with the State of California to provide the additional surface water for ecosystem benefits without a downstream diverter. To provide a sense of scale, in the drier periods of 2018 and then 2020-2022, City water demand served by groundwater rose from a historic 15-20% to approximately 35%. This shift benefits the achievement of the coequal objectives and all steps to expand on the ability to make this shift are a priority.

In any set of conditions that indicate a preference to shift toward groundwater, the City engages with local Groundwater Sustainability Agencies to ensure the extraction pattern (either from its own wells or through receipt of groundwater from others) is consistent with local Groundwater Sustainability Plans. Groundwater substitution transfers and Sacramento Regional Water Bank actions require additional groundwater monitoring to ensure no other user of groundwater is impacted and to further ensure consistency with local groundwater sustainability plans.

With the Regional Water Authority as the leading voice, the City of Sacramento, along with other local purveyors, is supporting the statewide Healthy Rivers and Landscapes Proposal (HRLP) to provide increased river flows during Dry and Critically Dry periods (Sacramento Valley Index D1641) and expand habitat in the Sacramento and San Joaquin Rivers and Bay-Delta. The proposal, if approved by SWRCB, would serve as an implementation pathway for an updated Bay-Delta Plan and would present itself as a priority for the City of Sacramento. In absence of that approval, the City of Sacramento remains obligated to provide environmental flows after a series of agreements were executed in 2023 and 2024 that guarantee a shift from surface water to groundwater when called upon by the State for ecosystem benefits.

In acknowledging the potential benefits of leveraging groundwater as a resource during periods of surface water scarcity, the City also supports maintaining a sustainable groundwater basin in the North and South American Subbasins. Seeking opportunities to recharge that resource requires equal focus if groundwater is to be present when most needed. Maintaining consistency with local Groundwater Sustainability Plans and meeting the requirements of the Sustainable Groundwater Management Act present legal boundaries that the City remains cognizant of.

The City is also an active supporter and participant of the developing “Sacramento Regional Water Bank”, with the Regional Water Authority as the lead organization. The stated goals of the Water Bank program at the writing of this Purveyor Specific Agreement (PSA) are as follows:

“The GOAL of the Water Bank is to expand conjunctive use, thereby increasing water banking operations throughout the region to:

- 1) Improve long-term regional reliability and provide statewide water supply opportunities when possible; and*

2) *Support healthy ecosystem function on the lower American River*

Given the totality of anticipated climate change pressures on water resources, the anticipated need to respond more dynamically to hydrologic conditions, participate in opportunities to leave surface water in the ecosystem until diverted elsewhere, and to ensure the success of the recently executed agreements to make environmental water available without a downstream diverter through shifts to groundwater, the City is taking the following steps:

- Expanding the capacity of City groundwater infrastructure through a comprehensive groundwater well replacement program and identifying connections to others that can assist in leveraging groundwater as a strategic resource to enhance water supply reliability and to provide ecosystem benefits.
- Within the Hodge or Conference year constraints, ensure groundwater recharge actions are occurring in the basin to maintain readiness for the turn to groundwater in the poorer surface water conditions.

To the degree that extremes in weather from wet and cold to dry and hot presented by climate change occur, so too do the needs for flexible operations to adapt to such changing conditions.

The City anticipates future additions to surface water infrastructure. As part of the 2000 Water Forum Agreement, and the expansion of FWTP, the City also committed to the construction of other facilities such as expansion/rehabilitation of the Sacramento River Water Treatment Plant and river intake to assure that a reliable alternative supply (groundwater, pump back, and/or diversion from the Sacramento River) is available whenever it is needed. The City completed a rehabilitation project at SRWTP in 2007, which set aside land for future expansion, and has initiated environmental review for the expansion of SRWTP and other projects (see “Water+” below). Extensive evaluations on the viability of a previously contemplated “pump-back” project, which would have entailed a new intake on the Sacramento River and a large raw water pipeline connecting the new intake with FWTP have identified that project as infeasible.

Demand Management

The City’s baseline water usage per capita for the purpose of compliance with SBX 7-7 was 282 gallons-per-capita-per-day (gpcd) (years 1996-2005), with a 2020 target of 225 gpcd. At the SBX7-7 compliance date of 2020, the City customer usage was down to 169 gpcd, thereby meeting legislative mandates. For the last several years, the City has hovered around 150 gpcd. This was achieved through a variety of means including an accelerated Advanced Metering Infrastructure (AMI) metering program and expanded water conservation incentive and outreach efforts.

Moving forward, through the Long Term Water Conservation Framework legislation (SB 606 and AB 1668), the State of California has created real-time targets for water suppliers, including the City, that involve a dramatic water use reduction target over the next 15 years tied to a residential indoor water use reduction as well as a landscape water efficiency target that involves reporting on landscape water demand as compared to landscape water need as calculated by the State. This system-wide budget-based approach also includes a reduction in water suppliers’ system water loss (gallons per connection per day). To achieve these targets, the City anticipates that it will need to dramatically expand customer participation in its programs and anticipates making refinements to existing programs as well as adding programs that will achieve these requirements. An analysis and prioritization of these potential

programs is underway and engagement with Water Forum membership is ongoing. Draft and final work products will be provided to the Water Forum membership.

Current City conservation programs elements are advertised on the City web page.

<https://www.cityofsacramento.gov/utilities/water-conservation>

While subject to change as program effectiveness is evaluated, examples of likely program enhancement beyond existing include:

- Monitoring and analysis of meters dedicated solely to irrigation
- High efficiency toilet retrofit programs
- Landscape rebate programs
- Enhanced leak repair incentive programs
- Enhanced water and energy partnership rebates
- Enhanced residential water surveys

Water+

<https://www.cityofsacramento.gov/utilities/projects/waterplus>

The Department of Utilities in 2021 launched Water+, a program designed to help ensure safe, high-quality drinking water supply for customers. The program will help protect long-term drinking water reliability, resiliency to climate change, and help meet future retail and wholesale water demands of the City of Sacramento POU.

Water+ has several goals, which include:

- Improving water treatment methods to meet changing water quality in the Sacramento and American rivers as well as changing drinking water regulations.
- Improving the safety and reliability of the City's surface water treatment plants -- the E.A. Fairbairn Water Treatment Plant and the Sacramento River Water Treatment Plant.
- Providing consistent drinking water treatment and distribution to City customers.
- Increasing water treatment supply and capacity to meet future water demands.
- The program will replace and expand aging facilities, improve water treatment methods to be safer and more environmentally friendly, and make overall system improvements.

The first phase of Water+ includes the Treatment Plants Resiliency and Improvements Project, which will help improve the long-term safety, reliability and resiliency of the City's water supply, and address several issues defined in the City's 2035 General Plan.

The project will feature several water treatment improvements, including:

- Replacing aging infrastructure and facilities that are reaching the end of their useful lives
- Improvements to the treatment process at both water treatment facilities
- A new Sacramento River water intake structure and new pipelines to SRWTP to allow for increased future diversions and greater reliability of existing diversions
- Improvements to water transmission and distribution systems near SRWTP

River Arc

Concurrent with the planned expansion of SRWTP, a group of local water agencies with the support of select Water Forum environmental members have initiated early planning for a new facility on the Sacramento River. The RiverArc Project is an ecosystem, capacity, and resiliency project that will provide significantly improved backup and flexibility to water sources available for City customers, and to surrounding communities. The project would divert water through an existing water intake structure on the Sacramento River to offset water currently planned to be diverted from Folsom Reservoir or from the American River at the Placer County Water Agency (PCWA) pumping plant near the Auburn Dam site. Reduction of draws from the American River has been identified as a potential adaptation measure for climate change impacts to the lower American River ecosystem and water supply reliability in the American River watershed as described in the 2022 American River Basin Plan. In 2015 and 2021, Folsom Reservoir levels were very close to not being able to meet minimum municipal water supply intake elevations. The flow of the Sacramento River, which is many times the size of the American River, has the capacity to reduce reliance on the American River.

The RiverArc Project presents a more complex governance structure with multiple participating agencies, is located further from the City's core water transmission infrastructure, requires additional staffing, and may present a reduced financial economy of scale that a SRWTP expansion could offer. However, the City recognizes the potential benefits to the region RiverArc could bring to the Water Forum coequal objectives and the potential to support the Water Forum 2050 initiative. At present, the City is focusing on RiverArc as the next diversion and treatment capacity project, ahead of a SRWTP expansion with the understanding and expectation of ongoing Water Forum signatory support.

Current Diversions

Table 2. Current Diversions

Year	FWTP	SRWTP	Total Surface Water	Groundwater	Imported Groundwater	Wholesale/ Wheeling	Total Retail Water	Total Water
2006	62,827	55,848	118,676	18,476	-	6,512	130,640	137,151
2007	46,888	83,568	130,457	19,570	-	12,333	137,694	150,027
2008	56,264	64,029	120,293	20,388	-	8,182	132,499	140,681
2009	53,067	52,669	105,736	20,056	-	6,176	119,616	125,792
2010	53,632	44,594	98,227	18,433	-	5,254	111,406	116,660
2011	41,053	54,738	95,791	18,109	-	5,279	108,621	113,901
2012	44,259	63,452	107,712	14,617	-	8,075	114,253	122,328
2013	48,319	58,336	106,655	12,834	244	2,286	117,447	119,733
2014	31,899	48,903	80,802	14,637	80	262	95,257	95,519
2015	32,155	39,511	71,666	13,706	659	1,199	84,832	86,031
2016	28,523	40,621	69,144	18,008	-	958	86,194	87,152
2017	34,636	32,836	67,472	26,348	-	2,460	91,360	93,820
2018	22,300	40,604	62,904	25,963	4,028	1,027	691,868	92,895
2019	38,477	37,033	75,510	21,869	-	8,465	88,914	97,379
2020	31,337	39,576	70,913	21,140	8,426	3,607	96,872	100,479
2021	23,486	52,021	75,507	18,837	974	4,518	90,800	94,318

Water Forum Agreement 2050

2022	27,084	34,796	61,880	19,024	6,610	1,777	85,737	87,514
2023	30,437	47,571	78,007	12,232	28	9,589	80,678	90,267
2024	41,096	41,749	82,845	9,858	0	11,102	81,601	92,703

- All values in acre-feet per year
- Diversion and delivery of SCWA water through COS facilities (Wheeling) is only from Sac River facilities

Future Projected Diversions

Table 3. City of Sacramento Projected Water Demands (from 2020 UWMP)

Use Type	Additional Description (as needed)	Projected Water Use * Report To the Extent that Records are Available				
<u>Drop down list</u> May select each use multiple times These are the only Use Types that will be recognized by the WUEdata online submittal tool		2025	2030	2035	2040	2045 (opt)
Add additional rows as needed						
Single Family		46,913	47,491	48,069	48,647	51,098
Multi-Family		15,334	16,085	16,837	17,588	18,474
Commercial	Includes Industrial Use Type	17,871	19,068	20,266	21,464	22,545
Institutional/Governmental		6,094	6,200	6,306	6,412	6,736
Landscape		5,087	7,144	9,200	11,257	11,824
Other Potable		2,366	4,054	5,742	7,430	7,804
Losses		13,767	13,767	13,766	13,766	14,460
TOTAL		107,432	113,809	120,187	126,564	132,942
* Units of measure (AF, CCF, MG) must remain consistent throughout the UWMP as reported in Table 2-3.						
NOTES: Units are in acre-feet (AF).						

Use Type	Additional Description (as needed)	Projected Water Use * Report To the Extent that Records are Available				
<u>Drop down list</u> May select each use multiple times These are the only Use Types that will be recognized by the WUEdata online submittal tool.		2025	2030	2035	2040	2045 (opt)
Add additional rows as needed						
Sales to other agencies	SCWA - Airport	1,056	1,400	1,400	1,400	1,400
Sales to other agencies	SCWA - Zone 50 Metro Air Park	2,545	5,000	5,000	5,000	5,000
Sales to other agencies	SSWD - Arden	1,945	3,500	14,782	26,064	26,064
Sales to other agencies	SSWD - Northridge	0	0	2,130	4,260	4,260
Sales to other agencies	Golden State Water Company	0	0	518	1,037	1,037
Sales to other agencies	Del Paso Manor Water District	0	0	672	1,344	1,344
Sales to other agencies	Cal Am Arden	457	913	1,384	1,855	1,855
Sales to other agencies	Cal Am Fruitridge	4,479	8,692	8,692	8,692	8,692
Sales to other agencies	Cal Am Parkway	2,803	4,480	6,258	8,036	8,036
Sales to other agencies	Cal Am Rosemont	3,591	6,160	8,163	10,166	10,166
Sales to other agencies	SCWA - Arden Park	0	0	2,106	4,211	4,211
Sales to other agencies	SCWA - Zone 41 CSA Wholesale	4,800	9,600	10,122	10,644	10,644
Sales to other agencies	SCWA - Zone 41 NSA, CSA, and SSA	6,661	13,321	12,836	12,350	12,350
Sales to other agencies	Tokay Park	0	0	47	95	95
Sales to other agencies	Florin County Water District	0	0	919	1,837	1,837
Sales to other agencies	Natomas Unified School District	69	69	69	69	69
TOTAL		28,406	53,135	75,098	97,060	97,060
* Units of measure (AF, CCF, MG) must remain consistent throughout the UWMP as reported in Table 2-3.						
NOTES: Units are in acre-feet (AF). Projected wholesale water use estimates were developed in the on-going Water Master Plan Update. 2030 wholesale projected water use is equal to the probable estimate (average likely water delivery in the on-going Water Master Plan Update) of future wholesale demands. 2040 and 2045 wholesale projected water use is equal to the maximum estimate assuming that all water agencies in the American River Place of Use Boundary receive wholesale water. Interim years (2025 and 2035) were linearly interpolated. The City estimates that it will deliver approximately 69 AF to Natomas Unified School District.						

Drier Conditions Management

In all years when the California Department of Water Resources (DWR) annual projected unimpaired runoff into Folsom Reservoir is greater than 550,000 AF, or the March through November projected unimpaired inflow into Folsom Reservoir is greater than 400,000 AF, the City may divert water at FWTP in accordance with the following criteria.

1. Diversion up to 310 cfs (200 million gallons per day [MGD]) so long as the flow bypassing the diversion at FWTP is greater than the Hodge Flow Criteria⁴⁶.

Table 4. Hodge Flow Criteria

Period	American River Hodge Flow Criteria, cfs
October 15 through February	2,000
March through June	3,000
July through October 14	1,750

2. Whenever flow bypassing the diversion at the FWTP is lower than the Hodge Flow Criteria, City diversions may not be greater than the following:

Table 5. Maximum Rate of Diversion to the FWTP During Hodge Flows

Period	Maximum Diversion	
	cfs	MGD
January through May	120	77.6
June through August	155	100.2
September	120	77.6
October through December	100	64.6

City water diverted at FWTP in drier conditions in accordance with the foregoing limitations could be used anywhere within the City's authorized POU as it exists now and in the future.

Provision for Use of FWTP Design Capacity Over 100MGD

The City added the Hodge restrictions to FWTP to its surface water entitlement in October 2010 following approval of the original Water Forum Agreement. The goal of these restrictions was to ensure adequate flow for the fishery at certain times of the year. This goal is embedded in the Flow Management Standard. The prior Water Forum effort also anticipated a potential pathway for collective support of all caucuses for the removal or amendment of these terms.

If the City and the ongoing Water Forum successor efforts agree that some combination of actions could provide a net benefit to the lower American River and allow for better use of the capacity added to FWTP (over the 100 mgd prior to the first Water Forum Agreement) in 2000, the City will have the

⁴⁶ As no stream flow gauge currently exists in a location coterminous with FWTP, the Fair Oaks gauge, as maintained by USGS, is typically used as a surrogate measurement point.

support of all signatories if it chooses to pursue regulatory approvals. The implementation of the MFMS is actively planned into Reclamation's operations and augments D893-flows as being protective measures consistent with Water Forum coequal objectives and provides an example of improved conditions.

Driest Conditions Management

In extremely dry years (i.e., years in which the DWR annual projected unimpaired inflow into Folsom Reservoir would be 550,000 acre-feet annually [AFA] or less, also referenced as the March through November projected unimpaired flow into Folsom Reservoir being less than 400,000 AF) the City would limit its diversions of city water at the FWTP to not greater than 155 cfs and not greater than 50,000 AFA. Any additional water needs would be met by diversions at other locations and/or other sources.

City water diverted at the FWTP in extremely dry years in accordance with the foregoing limitations could be used anywhere within the City's authorized POU as it exists now and in the future.

Critically Low Storage Conditions

In conjunction with aforementioned commitments to reduce diversions at FWTP when Hodge Flows are present (see drier year actions) or the March through November projected unimpaired flow into Folsom Reservoir being less than 400,000 AF (see driest year actions), the City will continue to support infrastructure at the FWTP intake structure that will allow operation near the low minimum flow requirement of the MFMS at 500 cfs. 500 cfs passing the FWTP is understood to correlate with the river elevation necessary to meet the minimum design of the intake pumps to avoid adverse operation. The City is committed to this balanced approach which is intended to support conservation of storage in Folsom and a minimum release pattern for ecosystem needs.

Project List

It is understood that to support the coequal objectives and mitigate challenges facing the region under future conditions, structural and non-structural projects will be needed. The City must prioritize projects that maintain the affordability of water in advancing the coequal objectives. The experience of the last couple of decades has shown that the extremes of climate change are the biggest threat to the coequal objectives and that the ability of the City to advocate for improved operations of the State and Federal projects, both internally and through local partnerships to advance conjunctive use, will be the most effective way from a cost and sustainability standpoint, to enhance the achievement of the coequal objectives. Actions can be taken in all years to improve water reliability from the most environmentally beneficial source.

Structural

The following infrastructure projects will support efforts to implement the City's proposed PSA, and to support the coequal objectives.

- New or improved interties with other purveyors, in particular ones that promote groundwater recharge and conjunctive use and water supply reliability
- Rehabilitation and modernization of existing water facilities

- New or expanded facilities on the Sacramento River (e.g., RiverArc or SRWTP expansion) and treatment, storage, and conveyance systems necessary to provide clean, safe, potable water
- New groundwater facilities consistent with adopted groundwater sustainability plans and the City of Sacramento's completed California Environmental Quality Act (CEQA) process to modernize its groundwater facilities
- Expanded groundwater monitoring infrastructure and data transparency platforms
- Projects as defined in basin groundwater sustainability plans
- Structural and Non-structural projects and programs to ensure success of the Healthy Rivers and Landscape Program (i.e., Voluntary Agreement) for the American River region or a similar tributary-specific program that improves the ecosystem, protects local existing water entitlements for participants in that program, and maintains better cold water pool conditions in Folsom and the lower American River.

Non-Structural

- Agreements with neighboring purveyors for conjunctive use opportunities and water supply reliability
- Continued water use efficiency programs and funding support for the City, including expanded relationships and/or agreements to facilitate the City's Climate Action Plan and successful implementation of water use efficiency targets
- Water transfers consistent with groundwater sustainability plans and the California Water Code
- Points of diversion on Sacramento River for City of Sacramento
- Implementation of longstanding contractual agreement for water exchange between City and the Sacramento Municipal Utility District (SMUD) for SMUD's Rancho Seco water demands
- Extension and/or License of Existing Water Entitlements for the City of Sacramento
- Support for identifying underground storage as a beneficial use of surface water
- Changes in water rates and fees, as compliant with legal requirements to support projects consistent with the coequal objectives (e.g., water efficiency, climate change adaptation projects, and water supply reliability projects)
- Continued staffing support, when requested, for implementation of lower American River ecosystem projects (e.g., Machine Operators)
- Additional funding support from the City for science and ecosystem benefits as part of the 2024 Healthy Rivers proposal to SWRCB or a tributary-specific alternative for the American River region
- Local and Statewide advocacy for the MFMS on the lower American River and improved carryover storage within Folsom Reservoir

- Management actions as defined in basin groundwater sustainability plans
- Periodic 5-year groundwater sustainability plan evaluations and updates, compliant with SGMA
- Consolidation of water districts as approved by the State of California

Caveats and Assurances

1. All signatories to the *Water Forum Agreement* will fully endorse City of Sacramento water entitlements for the benefit of the coequal objectives. This includes the use thereof and extension and/or license under SWRCB procedures. If the SWRCB or the Legislature proposes global changes to water rights, each Water Forum member may decide what position to take on the proposal without rescinding agreed upon support for City of Sacramento water entitlements for the benefit of the coequal objectives.
2. Recognizing the commitments executed by the City of Sacramento in the first Water Forum Agreement, including changes made to its water entitlements, and in recognition in the 2000 Water Forum Agreement of full signatory support for City of Sacramento projects to divert, treat, and serve from the Sacramento River, all signatories continue to endorse this effort with the following detailed delineations:

- a. Fully endorse (as defined in the *Process for Project Endorsement* section of the Water Forum 2050 Agreement) the City's Water+ Project, including the diversion, treatment, storage, and conveyance systems necessary to provide clean, safe, potable water, as well as the funding and processes necessary to implement this project. The Project will partially recover diversion impacts to City stemming from the first Water Forum, and as contemplated by the 2000 Water Forum.

<https://www.cityofsacramento.gov/utilities/projects/waterplus>

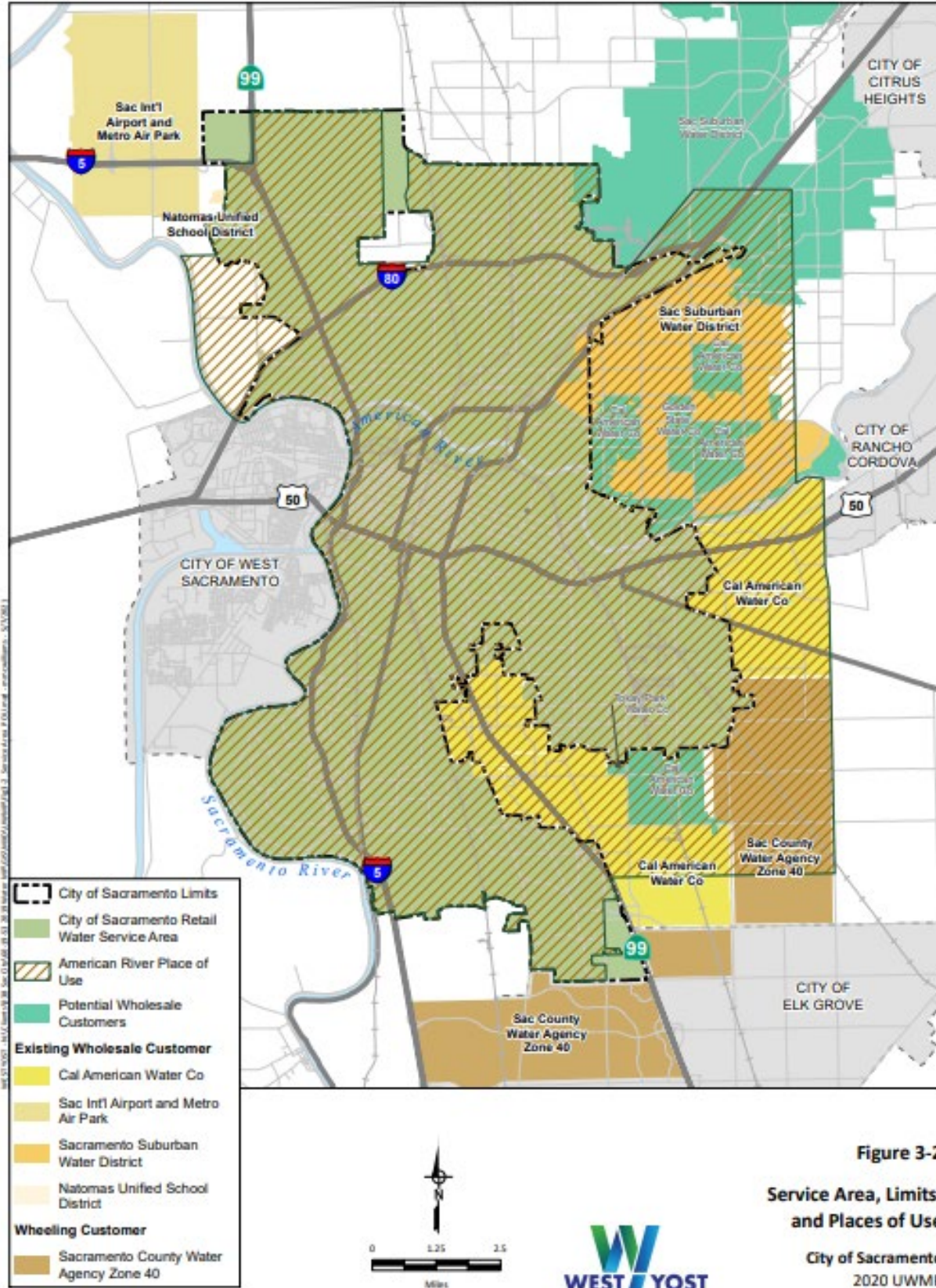
- b. Fully endorse City of Sacramento efforts to develop environmental documentation of the RiverArc project and conditionally endorse (as defined in the *Process for Project Endorsement* section of the Water Forum 2050 Agreement) the implementation of the RiverArc Project, subject to environmental analysis of the impact to the Sacramento River for the City of Sacramento, including the points of diversion modifications, diversion, treatment, storage, and conveyance systems necessary to provide clean, safe, potable water, as well as the funding and processes necessary to implement this project. Upon completion of CEQA analysis all signatories agree that an official determination on full endorsement will occur and Water Forum documentation and positions of support will be updated to reflect this determination no later than six months from publications of environmental Notice of Determination or equivalent filing. It is the intention of all signatories to fully endorse this project if the environmental analysis and Notice of Determination remain consistent with the Notice of Preparation and the outcomes sought in support of the Water Forum objectives. The City intends to provide outreach engagement to the Water Forum on project development and analyses prior to completion of the CEQA analysis.

<https://www.cityofsacramento.gov/utilities/projects/riverarc>

3. All signatories conceptually support (as defined in the *Process for Project Endorsement* section of the Water Forum 2050 agreement) all other structural and non-structural projects contained within this PSA and the funding and processes necessary to implement them with the exception of two non-structural projects identified above: 1) Groundwater Substitution Transfers, and 2) Implementation of contractual agreement for water exchange between City and SMUD.
4. Endorsement of water entitlements in this PSA means that signatories will expend reasonable efforts to:
 - a. Speak before stakeholder boards and regulatory bodies,
 - b. Provide letters of endorsement,
 - c. Provide supportive comments to the media
5. The City of Sacramento acknowledges concern of some signatories that voluminous requests for endorsement for routine operational and maintenance activities could apply pressure to limited resources. The City of Sacramento does not expect to pursue full endorsement for all projects with conceptual endorsement per this PSA. The City will maintain sensitivity to fellow members' capacity and will limit requests for full endorsement to the most impactful matters contained within this PSA and the related work of the Water Forum.
6. All signatories will support the funding of the City's water utility operations and capital investment/reinvestment. Endorsement of funding in the context of this PSA is not intended to limit future Water Forum engagements on how rates and fees are determined within applicable laws.
7. Any solution that provides for future needs will have costs. New diversion, treatment, and distribution facilities, wells, conservation programs, and required environmental mitigation will be needed. This PSA identifies that these solutions must be equitable, fiscally responsible, and make the most efficient use of the public's money. Prioritizing affordability of these programs and alignment with state laws surrounding appropriate use of water rate-payer dollars is supported by all signatories.
8. Water suppliers have both capital costs for facilities and operations and maintenance costs. This PSA recommends that charges imposed to recover capital costs associated with water acquisition, treatment, or delivery be equitable. Any costs for facilities funded through bonds will be recovered as provided by law. In addition, signatories to the Water Forum Agreement agree that operational, maintenance, and replacement costs should be recovered from beneficiaries of the system in accordance with California Government Code Sections 53720 to 53730 (Proposition 62) and California Constitution, Articles XIII, C and XIII, D (Proposition 218) and other laws to the extent they are applicable.
9. All parties acknowledge that language or commitments within this PSA may find themselves in conflict with other documents or regulatory proceedings/direction. Where inconsistencies occur, legally binding documents (e.g., water rights) or direction from regulatory bodies shall govern. Additionally, the Water Forum and versions of the Water Forum 2050 Agreement do not supersede local, state, or federal boards, councils, commissions, or regulatory entities governing water suppliers, or does it present itself as a regulatory body or legally binding agreement.

10. PSA language will have priority over any language in the main Water Forum 2050 Agreement should there be an interpretation that deems the language in the two documents to be in conflict.
11. All Signatories 1) conceptually endorse City of Sacramento alignment of its water operations in support of the Sacramento Regional Water Bank and relevant groundwater sustainability plans, and 2) fully endorse the City's focus to invest in a resilient water system that can be adjusted to advance the Water Forum coequal objectives.
12. Parties shall acknowledge and accept that the Sacramento City Council recently adopted an updated Climate Action & Adaptation Plan and that nothing within this agreement is intended to supersede that action or any successor. Included within that plan is the following: "An environment that feels healthy, with clean air, clean water, and ample access to parks, trees, and other green spaces," is the key to a truly livable city.

Attachment 1 – City of Sacramento Place of Use 2024





WATER FORUM AGREEMENT

2050

East Bay Municipal Utility District Purveyor Specific Agreement

Updated: January 8, 2026

Purveyor Background

East Bay Municipal Utility District (EBMUD) supplies water and provides wastewater treatment for a large part of Alameda and Contra Costa counties. Based on 2010 census data and Association of Bay Area Government's (ABAG) Projections 2040, approximately 1.4 million people are currently served by EBMUD's water system in a 332-square-mile area extending from Crockett on the north, southward to San Lorenzo and portions of Hayward (encompassing the major cities of Oakland and Berkeley), eastward from San Francisco Bay to Walnut Creek, and south through the San Ramon Valley (including Alamo, Danville, and San Ramon). The wastewater system serves approximately 740,000 people in an 88-square-mile area of Alameda and Contra Costa counties along the Bay's east shore, extending from Richmond in the north, southward to San Leandro. EBMUD water customers include residential, industrial, commercial, institutional, and irrigation water users. A map of EBMUD's service area is included in **Figure 1**, sourced from EBMUD's 2020 Urban Water Management Plan (UWMP).

Surface Water and Groundwater Management

Supply Portfolio

In non-drought years, EBMUD primarily serves its customers using Mokelumne River water, local runoff collected in the East Bay reservoirs (San Pablo, Upper San Leandro, and Briones), and recycled water for non-potable uses. During droughts, EBMUD's water supplies are supplemented by diversions from the Freeport Regional Water Authority (FRWA) Intake on the Sacramento River.

Mokelumne River

The Mokelumne River serves a variety of uses, including agriculture, fisheries, hydropower, recreation, and municipal and industrial use. EBMUD has water rights that allow for delivery of up to a maximum of 325 million gallons per day (MGD) from the Mokelumne River, subject to the availability of Mokelumne River runoff and numerous flow release obligations. EBMUD's Mokelumne River flow commitments are determined by hydrology, water rights priorities, agreements with state and federal regulatory agencies, California State Water Resources Control Board (SWRCB) orders and decisions, federal directives, court decrees, and numerous agreements between EBMUD and other Mokelumne River users, both upstream and downstream of EBMUD's Mokelumne River facilities.

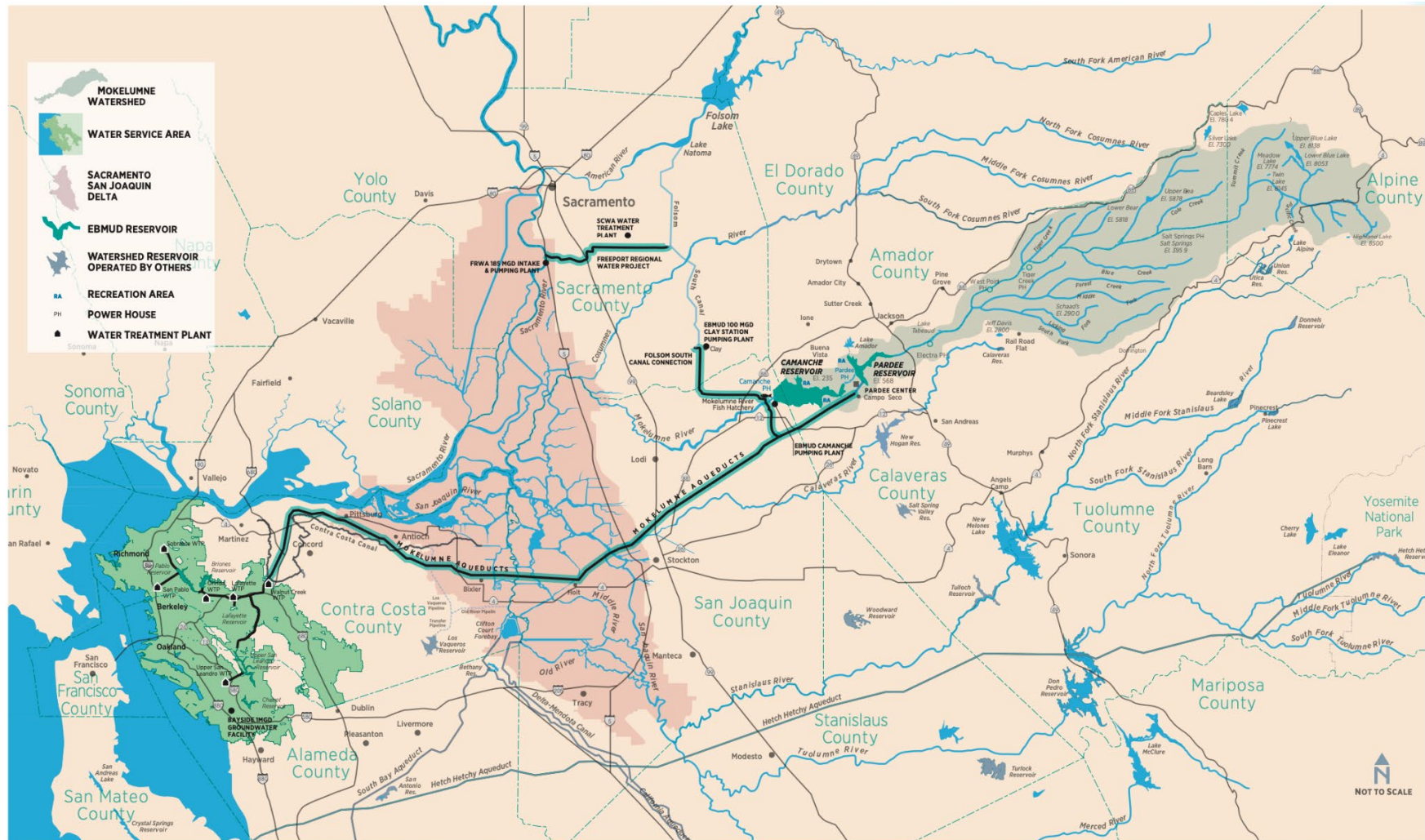


Figure 1. EBMUD Water Supply System (from EBMUD's 2020 Urban Water Management Plan)

To comply with the requirements of the 1998 Joint Settlement Agreement (JSA) among EBMUD, U.S. Fish and Wildlife Service (USFWS), and the California Department of Fish and Wildlife (CDFW), EBMUD continues to meet its flow commitment to protect the lower Mokelumne River by providing in-stream flow releases from EBMUD's Camanche Dam to improve fishery conditions. The Mokelumne River provides important habitat for fall run Chinook salmon, which migrate from the ocean and reach the Mokelumne in late summer and early fall to spawn. In the spring, the juvenile salmon then migrate to the ocean, grow, and ultimately return to the Mokelumne two to three years later to spawn. Salmon spawn in the river below Camanche Dam and many also enter the Mokelumne River Fish Hatchery located at the base of EBMUD's Camanche Dam, where eggs are collected, fertilized, incubated, and raised for release in the spring. The Mokelumne River also supports a population of Federally Threatened Central Valley Steelhead. Both the River and Hatchery support the listed population, and based on a robust science plan in recent years steelhead numbers have been trending upward, signifying successful management of the species through collaboration between EBMUD and the fish agencies.

In collaboration with the CDFW, the USFWS, and the National Marine Fisheries Service, EBMUD uses many strategies to protect and enhance Mokelumne River fisheries resources. These strategies include spawning and rearing habitat restoration, screening riparian diversions, conducting a comprehensive science program, and investing in one of the most modern and productive salmon hatcheries in the Central Valley. Additionally, Mokelumne origin salmon comprise approximately 20% to 50% annually of the recreational and commercial catch off the California Coast.

Since implementation of the JSA flow releases and temperature management practices, the Mokelumne River's average salmon returns to the river have more than doubled from 3,636 (1940 to 1997 average) to 11,164 (1998 to 2024 average). **Figure 2** shows the increase in returns of fall-run Chinook Salmon over time, with a record of over 35,000 fish in the 2024 season.

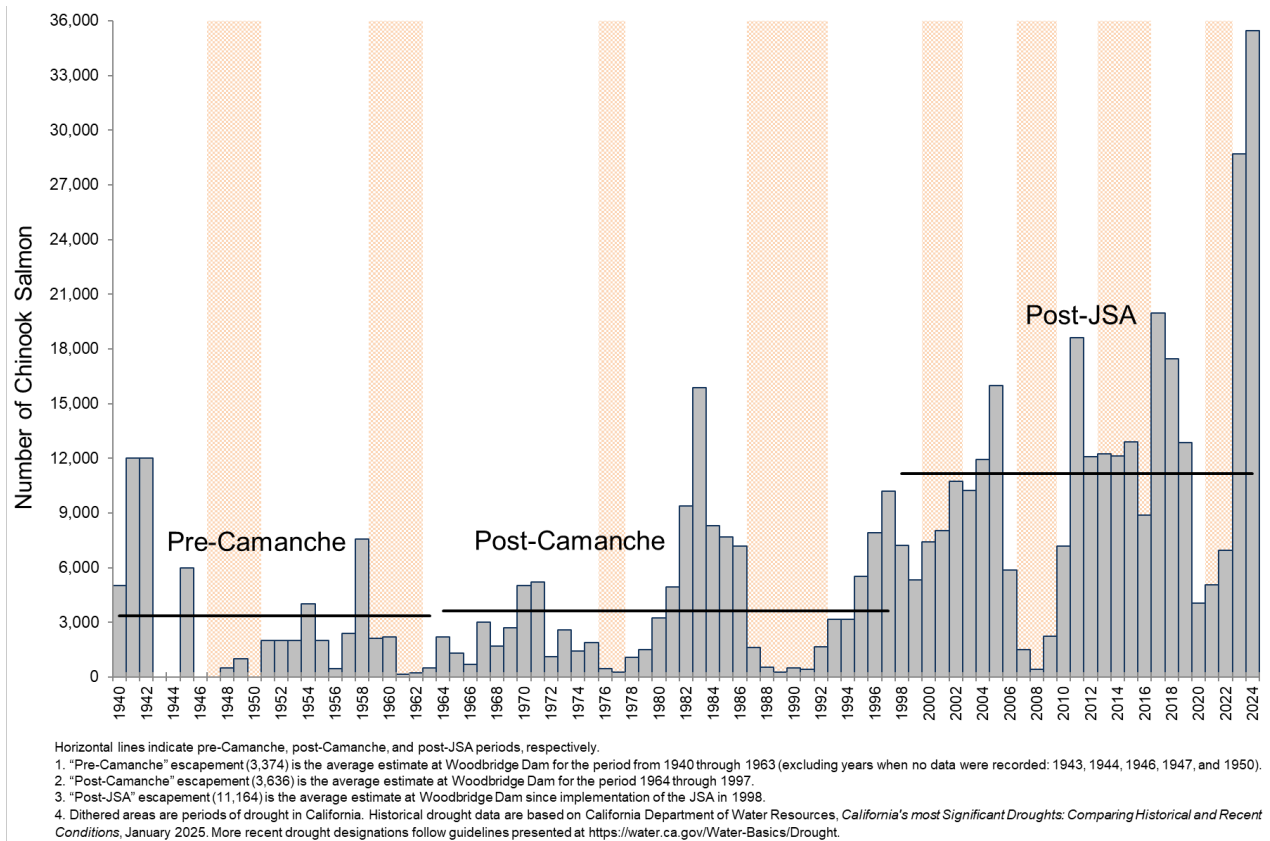


Figure 2. Returns of fall-run Chinook Salmon over time

East Bay Area Watershed and Hydrology Runoff Characteristics

EBMUD's secondary water supply source is local runoff from the East Bay area watersheds, which is stored in the terminal reservoirs within EBMUD's service area. The availability of water from local runoff depends on two factors: hydrologic conditions and terminal reservoir storage availability. In dry and critically dry years, evaporation can exceed runoff, resulting in net loss of local supply. Local runoff supplies the East Bay, on average, 23 MGD during normal hydrologic years.

Recycled Water

EBMUD's recycled water program has grown significantly since EBMUD began using recycled water at its Main Wastewater Treatment Plant (MWWTP) in 1971. The program has expanded to provide more recycled water to a diverse array of customers for a variety of non-potable uses. EBMUD has also worked to develop partnerships with other wastewater treatment entities to make recycled water available more broadly in its water service area. Regional partnerships like the Dublin San Ramon Services District–EBMUD Recycled Water Authority have broadened the recycled water customer base, and EBMUD has led or participated in research studies related to recycled water.

In calendar year 2020, EBMUD provided approximately 8.3 MGD of recycled water to customers for a variety of non-potable uses. Based on EBMUD's current assumptions about which projects it is likely to implement, **Table 1** (from EBMUD's 2020 UWMP) shows the projected quantity of recycled water use by specific type for the years 2020-2045.

Table 1. EBMUD Projections of Recycled Water Service Through 2045 (from 2020 EBMUD UWMP)

Project	Recycled Water Deliveries (MGD)				
	2025	2030	2035	2040	2045
<i>Existing Projects</i>					
North Richmond Reclamation Plant	3.5	3.5	3.5	3.5	3.5
Richmond Advanced Recycled Water (RARE)	3.6	3.6	3.6	3.6	3.6
East Bayshore Recycled Water Project, Phase 1A	0.14	0.15	0.15	0.15	0.15
San Ramon Valley Recycled Water Project, Phase 1	1.04	1.04	1.04	1.04	1.04
Recycled Water Truck Program	0.002	0.002	0.002	0.002	0.002
Chuck Corica Golf Course Complex	0.05	0.05	0.05	0.05	0.05
Total Existing Recycled Water Use	8.28	8.29	8.29	8.29	8.29
<i>Future Projects</i>					
Diablo Country Club Satellite	0.22	0.22	0.22	0.22	0.22
San Ramon Valley Recycled Water Project	0.71	0.98	1.3	1.3	1.3
Phillips 66 Refinery Recycled Water Project	0	2.6	3.7	3.7	3.7
East Bayshore Recycled Water Project, Phase 1	0.04	0.05	0.05	0.05	0.05
East Bayshore Recycled Water Project, Phase 2	0	0.25	2.1	2.1	2.1
Richmond Advanced Recycled Water (RARE) / North Richmond	0	0	0	3.84	3.84
Other Potential Projects	0.25	0.25	0.5	0.5	0.5
Total Future Projections	1.22	4.35	7.87	11.71	11.71
Total Recycled Water Projected Demand	9.50	12.64	16.16	20.00	20.00

Supplemental Water Supplies Potentially Available during Drought

- Dry-year only Central Valley Project (CVP) contract with the American River Division
 - EBMUD is contractually entitled to request CVP water when EBMUD projects end-of-September total system storage (TSS) below 500 thousand acre-feet (TAF). Water is limited to maximum 133 TAF in a year, and 165 TAF over three years, subject to reduction for unavailability under applicable U.S. Bureau of Reclamation (Reclamation) policies.
 - Although EBMUD is an American River Division contractor, EBMUD's diversion point is located on the Sacramento River downstream of the American River confluence, and EBMUD may receive water from any source available to the CVP.
- Water Forum releases from Placer County Water Agency (PCWA)
- Yuba Accord reservoir reoperation transfers
- Short-term crop idling transfers with Sacramento Valley irrigators
- Expanded San Joaquin County groundwater banking project in the Eastern San Joaquin Groundwater Subbasin

- EBMUD is currently developing a project in collaboration with local partners. The project yield is being evaluated.
- Existing Bayside well to be decommissioned in Fiscal Year 2026 but a new well may be constructed (up to 2 MGD over 6 months) if necessary to meet future water needs.

Distribution System Features of Note

Points of diversions

- Pardee Reservoir
- Freeport Regional Water Authority Intake
- Terminal Reservoirs (See **Table 3** sourced from EBMUD's 2020 UWMP)

Reservoirs

- See **Tables 2 and 3** below from EBMUD's 2020 UWMP.

Raw Water Interties

- Contra Costa Water District (CCWD)-EBMUD Raw Water Intertie
 - EBMUD to CCWD: 90 MGD
 - CCWD to EBMUD: Operationally infeasible without infrastructure improvements

Emergency Potable Water Interties (not currently authorized for drought emergencies)

- 30 MGD San Francisco Public Utilities Commission-City of Hayward-EBMUD Potable Intertie
- Small diameter potable interties with City of Hayward, CCWD, and Dublin San Ramon Services District

Note: EBMUD's potable interties are generally authorized for emergencies such as earthquake, flood, landslide, or other major accident. Currently, there is limited opportunity to use these interties in drought scenarios. Many of the interties are small diameter and neighboring agencies have limited hydraulic capacity to send water to EBMUD. EBMUD's raw water intertie with Contra Costa Water District is the largest of the interties and is not limited to emergencies.

Groundwater infrastructure

- Demonstration Recharge Extraction and Aquifer Management (DREAM) pilot project booster pump station, 700 gpm capacity (was used to support injection of extracted groundwater into the Mokelumne Aqueducts and may be used to support an expanded groundwater banking project in the future).

Table 2. EBMUD Water Supply System Characteristics

Reservoir Data		
Capacities (Dead Storage ¹)		
Mokelumne River Facilities		
Pardee (Licensed Capacity)	209,950 AF (12,200 AF)	
Camanche (Permitted Capacity)	431,500 AF (4,000 AF)	
Service Area Facilities		
Local Terminal Reservoirs (East Bay)	151,670 AF (17,500 AF)	
Aqueduct Data		
	Gravity Flow	Pumped Flow
Maximum Capacity Total ²	202 MGD	325 MGD
Aqueduct 1 (65-inch)	41 MGD	67 MGD
Aqueduct 2 (67-inch)	54 MGD	87 MGD
Aqueduct 3 (87-inch)	107 MGD	172 MGD
Hydropower Plant Capacities (Nameplate)		
Power Generation		
Pardee	23.6 MW	
Camanche	10.7 MW	

NOTES:

1. Dead storage capacity is defined as the volume of a reservoir below the level of the lowest outlet.
 2. Aqueduct capacity is dependent on Pardee elevation. Higher flow rates (up to 325 MGD maximum capacity) require pumping at the Walnut Creek Pumping Plant.
- AF = acre-feet; MGD = million gallons per day; MW = megawatts

Table 3. Total System Storage (TSS), Total Operational Storage, and Terminal Reservoir Water Sources

Mokelumne River Facilities		Capacity (AF)
Pardee		203,795
Camanche		417,120
Subtotal		620,915
Terminal Reservoirs	Water Sources	Capacity (AF)
Briones	Mokelumne Aqueducts, Bear Creek	58,960
Upper San Leandro	Mokelumne Aqueducts, San Leandro Creek and tributaries	38,905
San Pablo	Mokelumne Aqueducts, San Pablo Creek, Bear Creek, and Briones Reservoir	38,600
Chabot	Mokelumne Aqueducts, San Leandro Creek, Upper San Leandro Reservoir, Miller Creek	10,350
Lafayette	Lafayette Creek ¹	4,250
Subtotal		151,065
Total System Storage		771,980
Inaccessible Volume		74,500
Total Operational Storage		697,480

NOTES:

1. The raw water line for the Mokelumne Aqueducts was disconnected from the reservoir in 1971.
- AF = acre-feet

Current and Projected Demands

Current and projected demands are provided in **Table 4** below from EBMUD's 2020 UWMP. **Table 5** from EBMUD's 2020 UWMP presents the demands in context of EBMUD's need for water during droughts given the water supplies previously described.

Table 4. Average Annual Water Demand Forecast – 2050 Demand Projections (MGD)

	2020	2025	2030	2035	2040	2045	2050
Forecasted Water Demand	238	245	254	264	277	287	297
Water Conservation ¹	-48	-53	-58	-61	-63	-65	-66
Recycled Water ¹	-5	-6	-6	-9	-13	-13	-13
Raw Water	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2
Planning Level of Demand (Rounded)	181	186	190	194	201	209	218

1. See 2020 EBMUD UWMP Chapters 6 and 5 for program details on conservation and water recycling, respectively. The goals reflected in this table consider the uncertainty described in Section 5.2.3 and Section 6.1.3 of the 2020 EBMUD UWMP.

Table 5. Supply & Demand Assessment, 2020 – 2050

EBMUD Planning Level of Demand (PLOD)		2020	2025	2030	2035	2040	2045	2050
Normal Year	Mokelumne Supply (MGD)	>181	>186	>190	>194	>201	>209	>218
	EBMUD PLOD (MGD)	181	186	190	194	201	209	218
	Need For Water (TAF)	0	0	0	0	0	0	0
Single Dry Year	Mokelumne Supply (MGD)	121	126	129	132	138	144	151
	CVP Supplies (MGD)	60	60	60	60	60	60	60
	Total Supplies (MGD)	181	186	189	192	198	204	211
	Voluntary Rationing (%)	0	0	1	1	2	2	3
	Need For Water (TAF)	0	0	0	0	0	0	0
Second Dry Year	Mokelumne Supply (MGD)	82	86	89	92	98	104	111
	CVP Supplies (MGD)	74	74	74	74	74	74	74
	Total Supplies (MGD)	156	161	164	167	172	178	185
	Mandatory Rationing (%)	13	13	13	14	14	14	15
	Need For Water (TAF)	0	0	0	0	0	0	0
Third Dry Year	Mokelumne Supply (MGD)	141	145	146	145	132	118	108
	CVP Supplies (MGD)	12	12	12	12	12	12	12
	Total Supplies (MGD)	153	157	158	157	144	130	117
	Mandatory Rationing (%)	15	15	15	15	15	15	15
	Need For Water – Base Condition (TAF)	0	0	0	0	28	52	75
	Need For Water – High Demand Condition (TAF)	0	0	21	35	60	97	125
	Need For Water – Extreme Drought Condition (TAF)	0	0	0	13	32	55	84

Sustainable Groundwater Management Act (SGMA)

EBMUD has interests in two groundwater subbasins: the East Bay Plain Subbasin and the Eastern San Joaquin Groundwater Subbasin. Details are provided below.

East Bay Plain Subbasin

As a result of three legislative bills (Assembly Bill 1739, Senate Bill 1168, and Senate Bill 1319) signed into law in September 2014 and collectively known as SGMA, EBMUD initiated stakeholder outreach efforts in 2015 to identify eligible local agency interests in the formation of a Groundwater Sustainability Agency (GSA) for the East Bay Plain Subbasin. Stakeholders requested EBMUD to take the lead in SGMA compliance efforts and form a GSA as EBMUD was deemed suited to undertake the SGMA compliance responsibilities. On November 29, 2016, EBMUD became an exclusive GSA for the portion of the East Bay Plain Subbasin which underlies its service area pursuant to Water Code §10723.8(c) and (d). The City of Hayward is the GSA for the portion of the East Bay Plain Subbasin that underlies its service area.

In January 2022, EBMUD and City of Hayward collectively adopted and submitted the East Bay Plain Subbasin Groundwater Sustainability Plan (GSP), fulfilling the requirements established under SGMA. The GSP establishes management actions that ensure the East Bay Plain Subbasin is sustainable within 20 years of implementation. EBMUD and the City of Hayward are responsible for implementing the GSP management actions.

Eastern San Joaquin (ESJ) Groundwater Subbasin

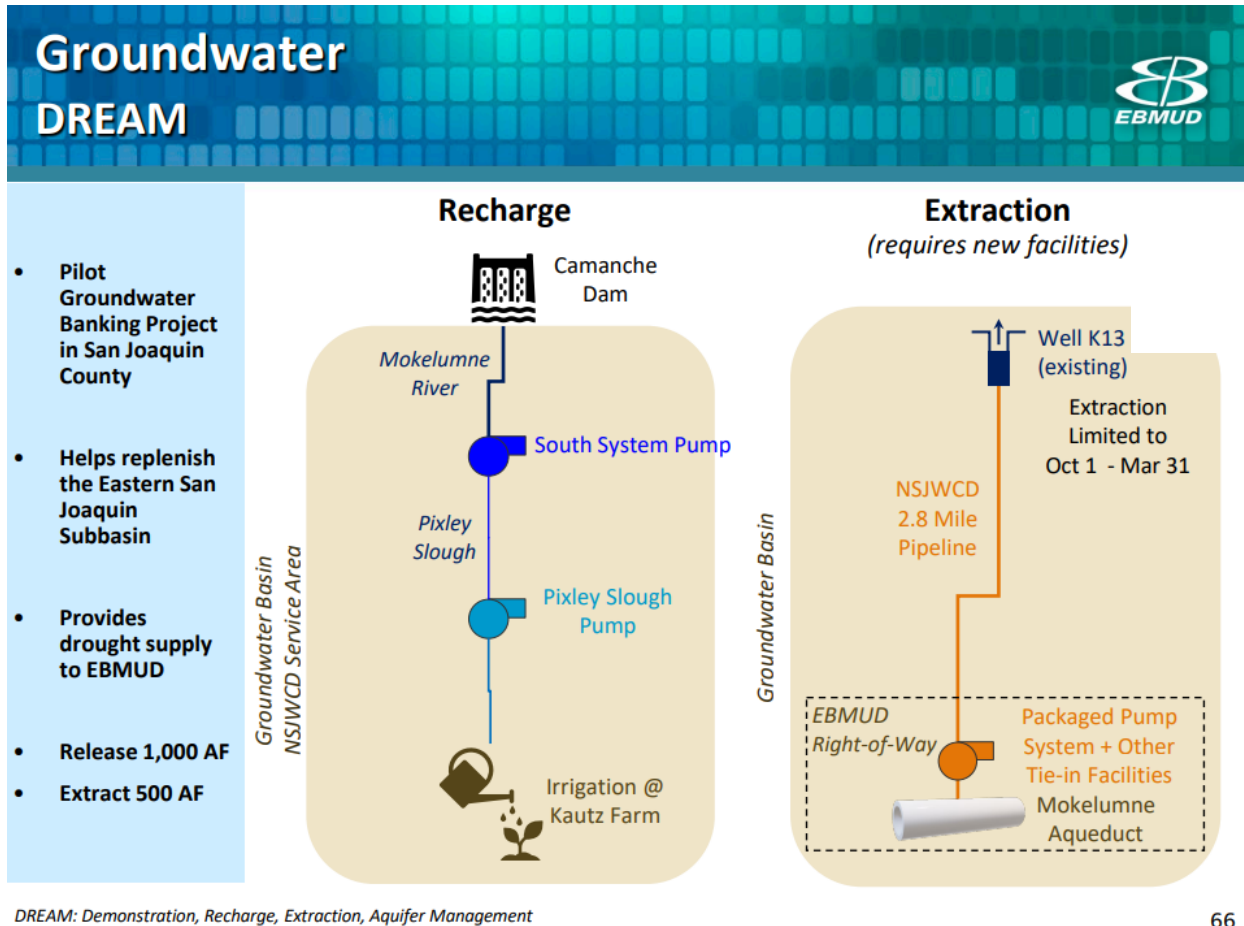
EBMUD and partners in Eastern San Joaquin County completed the DREAM Pilot Project, a pilot groundwater banking project, to determine whether a larger groundwater banking project is feasible in the ESJ Subbasin. A larger groundwater banking project has been identified in the ESJ Groundwater Sustainability Plan as a Potential Project to achieve groundwater sustainability.

Groundwater Banking

Groundwater banking efforts are currently focused in Eastern San Joaquin County where the DREAM Pilot Project was located.

The DREAM Pilot Project provided North San Joaquin Water Conservation District (NSJWCD) with up to 1,000 AF of EBMUD surface water from the Mokelumne River that participating landowners used for irrigation in lieu of pumping groundwater from the ESJ Subbasin; thereby, storing groundwater for future use. During dry years, EBMUD could recover up to half of the banked groundwater for use within its service area. The DREAM Pilot Project provided multiple benefits, including replenishment of the critically-over drafted ESJ Subbasin and dry year supplemental water supply for EBMUD. See **Figure 3** for a visual depiction of the DREAM Pilot Project.

Pending further evaluation of the results of the DREAM Pilot Project and planning level evaluation for an expanded groundwater banking project, EBMUD, NSJCWCD, San Joaquin County, and the Eastern Water Alliance may pursue a larger, longer-term groundwater banking project. The expanded project capacity is currently planned for EBMUD to deliver up to 3 to 8 TAF Mokelumne River water to project partners for recharge depending on EBMUD water supply conditions. Due to the project location, the American River watershed is not anticipated to be impacted by the expanded project.



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Figure 3. DREAM Pilot Project

Demand Management

EBMUD commits to meeting the current conservation and water use efficiency regulations, which include the 2024 “Making Conservation a California Way of Life” regulations, Assembly Bill (AB) 1572 related to irrigation of non-functional turf with potable water, and the Model Water Efficient Landscape Ordinance (MWELO) which encourages low-water use and native landscaping for new development. EBMUD will meet the aforementioned requirements by continuing to implement a combination of customer education, incentive programs, and efficiency improvements.

The [Water Conservation Strategic Plan](#) will guide EBMUD over the next few decades to encourage water conservation and invest in solutions which boost water conservation. The key components of its demand management portfolio are:

- Supply Side Conservation** (leak detection, water loss reduction, pressure management, replace leaky pipes)
- Water Management Services** (Online water consumption portal for customers, water budget reports, single family and multi-family housing consultations, WaterSmart certifications, and more)

- **Research and Development** (partnership with UC Davis and California Water Efficiency Partnership)
- **Rebates and Incentives** (low-flow plumbing hardware, landscape conversion, irrigation equipment, flowmeters, grey-water, landscape design assistance grant, mulch coupons, custom rebates for large projects)
- **Education and Outreach** ([EBMUD website](#) education materials, marketing, community events, WaterSmart Gardener program and demonstration garden grants, K-12 classroom materials)

The estimated water conservation through 2050 by implementing the Water Conservation Strategic Plan is shown below in **Figure 4**.

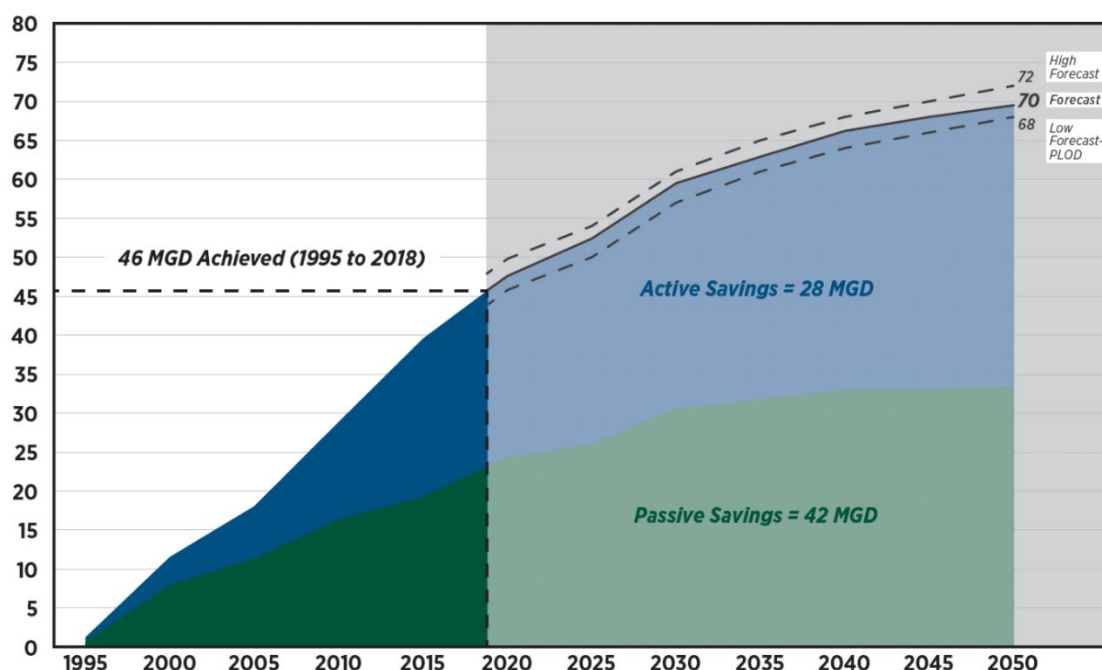


Figure 4. Forecasted EBMUD Water Conservation (Million Gallons per Day)

Climate Change

EBMUD recognizes climate change is a growing threat to the reliability of water resources. In preparation for the future uncertainties associated with climate change, EBMUD has undertaken a rigorous evaluation of potential impacts.

EBMUD continually considers climate change impacts and takes actions to understand, mitigate, and adapt to those impacts. EBMUD maintains a Climate Change Monitoring and Response Plan (CCMRP) to inform planning efforts for future water supply, water quality, and infrastructure, and to support water and wastewater infrastructure investment decisions. Assessments were made to identify potential impacts to EBMUD in the areas of water supply and demand, water quality and the environment, flood control management, infrastructures, and energy:

- In water supply, decreased runoff and timing of runoff poses impacts to carryover storage.

- Water demand and usage could increase as a result of warmer climate, as well as result in increased frequency of rationing due to water supply shortages.
- Water quality could decrease as a result of warmer air temperatures shifting in spring runoff, and increasing peak runoff. Managing cold water pool levels in Camanche and Pardee Reservoirs becomes more challenging with more frequent dry water year types and warming rivers and reservoirs. Any modifications to temperatures in the river could lead to impacts to fisheries.
- Rising sea levels could lead to increase in storm surge flood events, thereby posing challenges for flood control management due to the timing of the runoff and increased peak runoff. Sea level rise could damage infrastructure in the Delta and near the shore; primary concerns for EBMUD include the potential inundation of the Mokelumne Aqueducts from levee failure/overtopping in the Delta.
- Lastly, climate change could negatively affect hydropower generation as a result of changes in runoff timing and patterns, and management of cold water pool. The electricity transmission lines could lose transmitting capacity in high air temperatures, and there is an increase in the probability of wildfire exposure for some major transmission lines.

Managing Severe Droughts

EBMUD's Drought Management Program (DMP) provides a framework to manage customer demand and pursue a diversified portfolio to reach a goal of providing 85-percent reliability for customers in EBMUD's service area while continuing to meet all stream flow obligations on the lower Mokelumne River. The DMP guided EBMUD in managing demand and supply during the 2014-2016 and 2020-2022 droughts when mandatory and voluntary rationing was imposed, and water supplies were limited. During both the 2014-2016 and 2020-2022 droughts, EBMUD faced unanticipated constraints and updated and implemented measures to assist with demand and supply management. The DMP was revised to reflect lessons learned and actions that were taken.

The triggers to implement water shortage response action are defined by the Total System Storage (TSS) as illustrated in **Figure 5**. **Table 6** shows the types of programs and actions that EBMUD might undertake at each stage of drought.

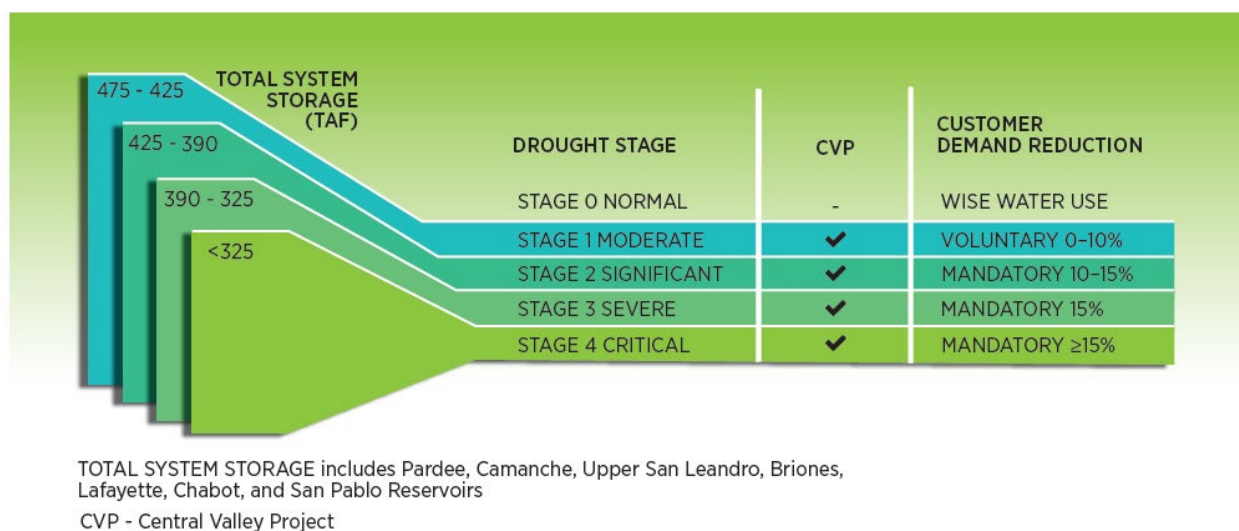


Figure 5. EBMUD Drought Management Program Guidelines

Table 6. Drought Management Program Elements by Stage for TSS Scenario

EBMUD Drought Stage	Drought Program Elements Considered
Stage 1 Moderate <i>Voluntary</i> <i>0-10% Rationing</i>	• Apply Stage 1 Drought Surcharge • Establish voluntary water use reduction goals and determine use restrictions • Initiate a public information campaign to explain the water supply situation and customer responsibilities • Outreach and education may include EBMUD's website, social media, media outreach, advertising, workshops and events, bill inserts and bill messaging • Initiate community water waste hotline and online water waste reporting • Issue up to 50,000 single family residential (SFR) home water reports • Provide commercial and residential landscape water budgets to up to 5,000 accounts • Provide conservation audits and WaterSmart home survey kits • Issue up to 5,000 indoor plumbing fixture and appliance rebates • Conduct water audits • Provide up to 5,000 free water saving devices • Expand water loss control program (e.g. acoustic loggers, leak detection crew)
Stage 2 Significant <i>Mandatory</i> <i>10-15% Rationing</i>	In addition to elements of Stage 1: • Apply Stage 2 Drought Surcharge • Continued outreach and education • Provide online EBMUD store ordering (restaurant and hotel tent cards, stickers) • Increase SFR home reports to 75,000 households

EBMUD Drought Stage	Drought Program Elements Considered
	• Increase commercial and residential landscape water budgets to 25,000 accounts • Issue up to 10,000 free water savings devices
Stage 3 Severe <i>Mandatory</i> <i>15% Rationing</i>	In addition to elements in Stage 2: • Apply Stage 3 Drought surcharge • Advanced media outreach/response • Advance customer outreach & education • Consider water saving campaigns, challenges • Consider supplementing education and outreach with website tools and information; outdoor, radio, publications, and online advertising; drought theaters or other education for children; contests and pledges; promotional items, signs, drought newsletters, customer outdial messages, postcard mailings, etc. • Institute Excessive Use Penalty for SFR customers with use > 60 ccf/month • Initiate supersaver recognition program • Increase SFR home reports to 100,000 households • Increase commercial and residential landscape water budgets to 50,000 accounts • Issue up to 7,000 indoor plumbing fixture and appliance rebates • Issue up to 8,000 outdoor landscape & irrigation rebates • Issue up to 15,000 free water savings devices • Provide field enforcement of regulations and water use restrictions
Stage 4 Critical <i>Mandatory</i> <i>≥15% Rationing</i>	In addition to elements in Stage 3: • Apply Stage 4 drought surcharge • Institute Excessive Use Penalty for SFR customers with use >40 ccf/month • Increase SFR home reports to 325,000 households • Increase commercial and residential landscape water budgets to 150,000 accounts • Issue up to 2,000 free water savings devices

Note:

This table is based on the Drought Management Program adopted by EBMUD's Board of Directors on 06/22/2021 and revised on 07/01/2025. EBMUD may revise the DMP elements from time to time.

The availability of water to EBMUD may be impacted depending on the nature of an emergency. In such cases, EBMUD would determine the applicable shortage response actions with reference to its Water Shortage Contingency Plan.

For example, the shortfall in Year 3 of a drought at 2050 demands as presented earlier in the Supply & Demand Assessment results on Table 5 would be mitigated by a combination of water transfers, San Joaquin County groundwater banking (potential expanded DREAM project), and future non-potable/potable reuse. This is in addition to demand rationing and EBMUD's CVP contract. EBMUD is

currently updating the Need for Water as part of the 2025 Urban Water Management Plan. Updates to this PSA document will be made as needed during the Water Forum 2050 comprehensive 5-year reviews.

Water Code Section 10632 requires water shortage contingency plans to provide water supply shortage levels at 10, 20, 30, 40, 50, and >50 percent thresholds. Urban water suppliers with existing water shortage contingency plans may meet this requirement by cross-referencing the water utility's existing water shortage stages to the State of California's six standard water shortage levels. In general, EBMUD brings in supplemental supply water and requests customers to reduce demand when the total operational storage is reduced by almost one-third. **Table 7** presents EBMUD's water shortage levels cross-referenced with the State's new standardized water shortage levels. EBMUD's water shortage levels for this cross-referencing are determined by the total operational storage available.

Table 7. Shortage Levels Cross-Referenced With State's Shortage Stages

Shortage Level	Percent Shortage Range	Shortage Response Actions
		(Narrative description)
1	Up to 10%	EBMUD WSCP Stage 1 - Moderate; Regulations and restrictions on water use is in effect. Refer to UWMP Attachment 1 (WSCP) Table W-6 for shortage response actions.
2	Up to 20%	EBMUD WSCP Stage 2 - Significant; Regulations and restrictions on water use and drought surcharge are in effect. Refer to UWMP Attachment 1 (WSCP) Table W-6 for shortage response actions.
3	Up to 30%	EBMUD WSCP Stage 3 - Severe; Emergency regulations and restrictions on water use during water shortage emergency condition, Regulations and restrictions on water use, Drought Surcharge, and Excessive Use Ordinance are in effect. Refer to UWMP Attachment 1 (WSCP) Table W-6 for shortage response actions.
4	Up to 40%	EBMUD WSCP Stage 4 - Critical; Emergency regulations and restrictions on water use during water shortage emergency condition, Regulations and restrictions on water use, Drought Surcharge, and Excessive Use Ordinance are in effect. Refer to UWMP Attachment 1 (WSCP) Table W-6 for shortage response actions.
5	Up to 50%	EBMUD WSCP Stage 4 - Critical; Emergency regulations and restrictions on water use during water shortage emergency condition, Regulations and restrictions on water use, Drought Surcharge, and Excessive Use Ordinance are in effect. Refer to UWMP Attachment 1 (WSCP) Table W-6 for shortage response actions.
6	>50%	EBMUD WSCP Stage 4 - Critical; Emergency regulations and restrictions on water use during water shortage emergency condition, Regulations and restrictions on water use, Drought Surcharge, and Excessive Use Ordinance are in effect. Refer to UWMP Attachment 1 (WSCP) Table W-6 for shortage response actions.

It is difficult to quantify the reduction in gap between supplies and demand due to the implementation of the response actions as outlined in Table 6. The response actions would be adjusted based on the level of rationing that is achieved and to meet EBMUD's policy of providing 85% reliability to its customers. At each stage, EBMUD will consider augmenting its supplies as outlined in Figure 5 with the quantities determined based on antecedent conditions and projected demand. The response actions to close the gap between supply and demand as well as the augmented supplies needed that year are outlined in the annual water supply availability assessments.

EBMUD CVP Contract

In years when EBMUD is authorized to take water under the terms of its CVP contract, which is limited only to specified water storage conditions, Reclamation allocates the water in the same manner as it does for other north-of-Delta American River Division municipal and industrial contractors. Like other CVP contractors, EBMUD's service area is included within the consolidated place of use for all the CVP

water rights. EBMUD is willing to discuss this matter further during the American River Climate Adaptation Program process if requested by the Environmental Caucus.

Management and Protection of the Mokelumne River

As part of its Strategic Plan, EBMUD has committed to manage the Mokelumne and East Bay watersheds to ensure a high-quality water supply and protect natural resources while providing appropriate public access. EBMUD has several ongoing and planned actions to meet this goal, including Mokelumne River water temperature management, EBMUD's pending Healthy Rivers and Landscapes (HRL) proposal, and forestry health work with the Upper Mokelumne River Watershed Authority (UMRWA).

Existing Water Temperature Management

The JSA includes a provision for cold water management to support downstream temperatures. It requires EBMUD to use its best efforts to maintain Pardee and Camanche Reservoir stratification with a minimum of 28,000 acre-feet of hypolimnetic volume (the volume of water colder than 16.4°C) in Camanche Reservoir through October, whenever Pardee Reservoir volume exceeds 100,000 acre-feet. This provision for temperature management necessitates adaptive, flexible operations of both Pardee and Camanche reservoirs.

This water temperature requirement and other water quality requirements were established to support fall run Chinook salmon and Steelhead in the Mokelumne River during the critical fall spawning and incubation period. To manage the system to achieve that volume, or a comparable adaptive approach to ensure cold water for salmon in the fall, there are multiple actions that EBMUD can take. These include the following:

- Joint operation of Pardee and Camanche reservoir releases to maximize cold water transfer efficiency from Pardee to Camanche and minimize cold water losses within the system
- Releasing warmer surface water from the Camanche Reservoir high level outlet in place of cold water releases from the bottom of the reservoir when acceptable downstream (typically April through September) to conserve cold water for fall
- Minimizing cold water diversions into the Pardee Reservoir Tower (which serves the aqueducts to the service area) to preserve cold water in Pardee for supporting the downstream cold-water pool in Camanche Reservoir

Mokelumne River HRL Flow Proposal

The goal of the Mokelumne River HRL Flow Proposal is to build on the JSA successes in the Lower Mokelumne River through a mix of flow and non-flow measures that benefit anadromous fish. If the EBMUD HRL Flow Proposal is accepted by the SWRCB, spring flow contributions will be increased without any significant effect on Camanche Reservoir release temperatures.

The Mokelumne HRL Flow Proposal was developed to provide biologically beneficial flow regimes below Camanche Dam based on ambient conditions and when those flows are most beneficial to Mokelumne River fisheries. The proposal provides that the entirety of the obligated block flow (except in off-ramp years) will be released during the designated year. The Mokelumne River Proposal anticipates 70 to 90 percent of full annual volume to be released in the March through May period for fry and juvenile

rearing and outmigration, and 10 to 30 percent to be released in October for adult migration, spawning, and incubation.

In summary, the Mokelumne River HRL flow proposal has been designed to build on the substantial fishery benefits achieved with the JSA over the past 26 years, providing enhanced ecosystem conditions through a combination of flow and non-flow measures while maintaining the ability to manage temperatures in the Lower Mokelumne River.

Mokelumne River HRL Non-Flow Proposal

If EBMUD's HRL proposal is accepted by the SWRCB, 25 acres of new floodplain rearing habitat enhancement measures will be created. In addition, EBMUD has committed to the annual maintenance of a restored 1-mile (15 acres) spawning reach. No designated spawning habitat is required under minimum required habitat goals, but EBMUD has implemented 1.27 acres of new spawning habitat and 2.67 acres of maintenance of existing habitat as early implementation actions and will continue to implement habitat improvements above the minimum required as landowner and funding opportunities allow. One acre of suitable instream rearing habitat will be implemented through screening diversions and providing habitat complexity during spawning habitat restoration work. Habitat enhancement measures will be implemented in accordance with the design criteria established for habitat restoration projects under the HRL Non-Flow initiatives, as outlined in Table 15 in the Water Quality Control Plan for the San Francisco Bay/Sacramento–San Joaquin Delta Watershed (CSWRCB, 2025).

Watershed Forestry Health

EBMUD and its partners in UMRWA are implementing forest health projects that improve wildfire resiliency and protect water quality, particularly in areas along roadways where wildfires are most likely to ignite. Catastrophic wildfires in the Mokelumne Watershed would significantly impact the quality and reliability of EBMUD's supply. Forest thinning, meadow restoration, and related projects reduce that threat.

UMRWA is a Joint Powers Authority comprised of six water agencies and three counties working collaboratively to address natural resource issues in the Upper Mokelumne watershed in Alpine, Amador, and Calaveras counties. UMRWA was formed in 2000. Over its 25-year existence, UMRWA has facilitated solutions to a variety of water, forest, and associated watershed issues. Since 2011, UMRWA has secured and administered nearly \$40M in state and federal grants for water and forest projects in the watershed.

UMRWA is currently seeking a contractor for the El Dorado National Forest Projects Plan–Phase 1. The Forest Projects Plan–Phase 1 is a 25,671-acre timber stand and wildlife habitat improvement and protection project located on lands administered by the Eldorado National Forest (ENF) Amador Ranger District, within the upper Mokelumne and South Fork American River watersheds. The Phase 1 project is designed to help prevent high-intensity, large-scale wildfires, improve forest conditions, and protect important wildlife habitat and other resources. Non-commercial actions to reduce forest fuels are presently underway on 7,900 acres within the Phase 1 project area. The 11,695 +/- Phase 1 acres remaining to be treated are shown in Pending Projects Map, Forest Projects Plan–Phase 1. UMRWA has an annual fuel treatment goal of 4,000 acres per year.

Historical EBMUD Contributions to the Co-Equal Objectives

Although EBMUD would be a new signatory to the Water Forum Agreement, EBMUD has financially contributed to the success of the co-equal objectives. The investment and continued partnership with Sacramento County Water Agency in the FRWA intake on the Sacramento River and accompanying Folsom South Canal Connection (FSCC) system was a significant investment to convey EBMUD's supplemental supplies. In total, EBMUD spent approximately \$500 million to construct the FRWA/FSCC systems. The FRWA intake is located downstream of the American River confluence and, when opportunities arise, allows for American River water to be diverted after it has traveled the full distance of the Lower American River (LAR), thus providing potential benefits for LAR corridor health.

EBMUD has also been an integral partner to PCWA's PSA by purchasing the Water Forum releases during dry years. PCWA's releases to the LAR provide both flow and temperature benefits to anadromous fish during the late summer/fall months of the driest years when the flows are most important to fish survival. Since EBMUD and PCWA began their partnership in 2013, EBMUD has purchased approximately 37 TAF for \$20.4 million from PCWA.

In addition to EBMUD's specific investments, EBMUD has indirectly supported LAR habitat enhancement through contributions to the Central Valley Project Improvement Act (CVPIA) Restoration Fund. Since 2013, EBMUD has contributed approximately \$1.8 million to the CVPIA Restoration Fund.

EBMUD Surface Water Framework

This section summarizes the EBMUD proposal for Water Forum 2050 commitments related to surface water diversions in terms of their contributions to the coequal objectives and proposed investments (Projects).

Contributions to River Corridor Health

- Minimize direct surface water diversions on the LAR by taking water at Freeport.
 - EBMUD's intake facility at the Freeport project offers a unique opportunity in dry years. When water resources are scarce, and other purveyors may be letting water flow down the American River for out-of-basin transfers and/or relying more heavily on groundwater resources, EBMUD can continue to take water at Freeport to alleviate drought conditions while also allowing surface water to provide flow and temperature benefits for the LAR.
- Contribute to the CVPIA Restoration Fund pursuant to EBMUD's CVP contract (\$1.8 million to date).
- Long-term commitment, pursuant to contract between PCWA and EBMUD, to purchase PCWA Water Forum releases intended for the flow and temperature benefit of the LAR during dry years.

Contributions to Water Supply Reliability

1. Continued evaluation and investment where appropriate in a diverse water supply portfolio that meets water supply needs and limits reliance on the American River watershed. See Figure 6 for EBMUD's water supply portfolio concept approach.

EBMUD Supplemental Water Portfolio

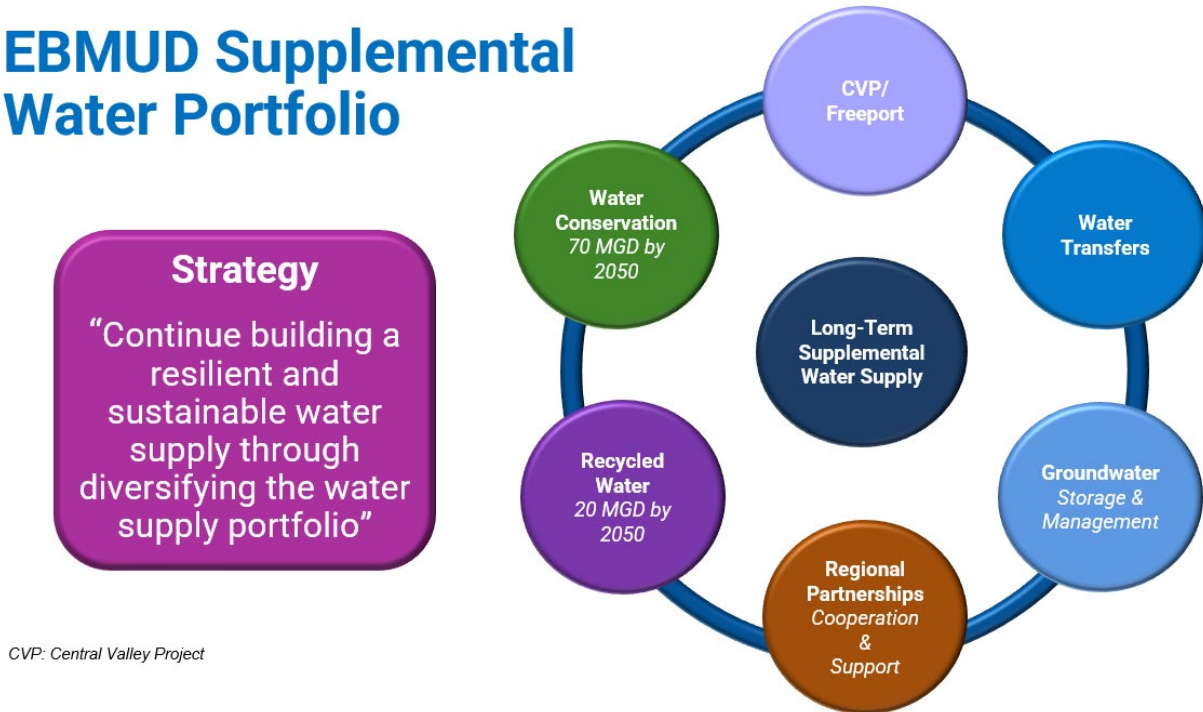


Figure 6. EBMUD's Water Supply Portfolio

Potential Future EBMUD Projects and Investments

(Note: this list is not a commitment by EBMUD to pursue these projects. Pursuit of these projects will be at the discretion of EBMUD's Board of Directors and depend on EBMUD's need for water during dry years, trends in customer demands, and financial capacity to pay for the projects. EBMUD may decide to pursue a subset of the included projects or none at all.)

- Expanded water conservation and water loss reduction programs
- Expanded DREAM project (expanded yield to be determined)
- Expanded recycled water, including evaluation of potable reuse potential and feasibility
 - Updated goal: 20 MGD by 2050 (non-potable reuse and future potable reuse)
- Evaluate potential participation in the Sacramento Regional Groundwater Bank
- 10 TAF CVP Contract Assignment from SMUD to participate in future potential storage projects (surface or groundwater)
 - If EBMUD seeks the SMUD assignment, EBMUD currently intends to divert all supplemental supply into the Folsom South Canal from Freeport, not Nimbus Dam,

unless there is a request from Reclamation and support from stakeholders to do so that supports LAR health.

- Long-Term Water Purchase Agreement with Placer County Water Agency for Water Forum releases
- Long-Term Water Transfer Agreement with Yuba Water Agency for Yuba Accord releases
- Short-term crop idling transfers with Sacramento Valley irrigators
- Mokelumne River Healthy Rivers and Landscapes Agreements
- [Mokelumne Aqueducts Resiliency Project \(MARP\)](#)



WATER FORUM AGREEMENT

2050

El Dorado Irrigation District Purveyor Specific Agreement

Updated: January 8, 2026

Purveyor Background

El Dorado Irrigation District (District) provides water, sewer, recycled water, and water-related recreation services within its service area. The District is the major water supplier located on the western slope of the Sierra Nevada Mountains in El Dorado County. The contiguous service area of the District spans approximately 220 square miles and includes a variety of urban, suburban, and rural communities and land uses. The population of the District's service area is approximately 130,000, accounting for approximately two thirds of the total population of El Dorado County.

The District operates over 1,119 miles of water pipe, 27 miles of ditches, 5 water treatment plants (WTP), 4 sewage treatment facilities, 456 miles of sewer lines, 60 lift stations, 36 water and 5 recycled water storage and regulating reservoirs, and 38 water and 5 recycled water pump stations. The District's WTPs have a total treatment capacity of approximately 102.6 million gallons per day (mgd).

The District also owns and operates a 21-megawatt hydroelectric generation project (Project 184) licensed by the Federal Energy Regulatory Commission (FERC) which consists of 4 reservoirs (Echo Lake, Lake Aloha, Caples Lake, and Silver Lake), dams, a forebay, a penstock, a powerhouse, and approximately 22 miles of flumes, canals, siphons, and tunnels located in the Sierra Nevada Mountains east of Placerville in the counties of El Dorado, Alpine, and Amador. The District acquired this hydroelectric generation project from Pacific Gas and Electric Company (PG&E) in 1999. The District operates the hydroelectric generation facilities, including recreational features, incidental to delivery of water and sells the generated power on the wholesale market. While the District generates revenue from operating Project 184, the project was purchased primarily to preserve the pre-1914 water rights associated with the facilities and to facilitate the acquisition of additional water rights thereafter obtained by Permit 21112 (described in more detail below).

Water Supply

The District's primary supplies come from tributaries to the American and Cosumnes Rivers as described below.

Jenkinson Lake

The District owns, operates, and supplies water from Jenkinson Lake through licensed appropriative water rights on Camp and Sly Park Creeks, both tributaries to the North Fork Cosumnes River. The available consumptive supply from Jenkinson Lake is approximately 23,000 acre-feet annually.

Folsom Reservoir

Pursuant to a permanent repayment contract between the District and the United States Bureau of Reclamation (USBR) (the Folsom Reservoir Repayment Contract), the District can divert up to 7,550 acre-feet per year of Central Valley Project water from Folsom Reservoir to serve the El Dorado Hills and western Cameron Park area. Additionally, in August 2010, the District and USBR executed a long-term Warren Act Contract (the Ditch/Weber Warren Act Contract) to enable the District to utilize up to 4,560 acre-feet of water per year at Folsom Reservoir from four pre-1914 water rights formerly associated with historic District ditches.

The District also has an appropriative water right (Permit 21112) to make consumptive use of 17,000 acre-feet annually of the water previously used only for Project 184's hydroelectric power operations. Pursuant to this right, water may be taken from Folsom Reservoir. On August 3, 2016, the District and USBR finalized and signed a long-term Warren Act Contract for use of the full 17,000 acre-feet until 2030, after which the contract is eligible for renewal.

Finally, pursuant to Public Law 101-514 (enacted in 1992), El Dorado County Water Agency (EDCWA) and USBR signed a long-term water service contract on October 23, 2019, for 15,000 acre-feet per year of water from Folsom Reservoir. Though the District and EDCWA have not yet negotiated a contract that will enable the District to utilize this supply, the District expects that, pursuant to a prior contract with the EDCWA, the District will receive at least one-half, or 7,500 acre-feet, of the water subject to future negotiation of repayment costs. This contract entitlement, if secured, will be in addition to the current Folsom Reservoir Repayment Contract entitlement of 7,550 acre-feet of water, the Ditch/Weber Warren Act Contract entitlement of 4,560 acre-feet of water, and the Permit 21112 Warren Act Contract entitlement of 17,000 acre-feet of water.

Forebay Reservoir

Forebay Reservoir is part of Project 184. Water stored in Silver, Caples, and Echo lakes and Lake Aloha is released and then diverted, along with natural river flows, into the El Dorado Canal near Kyburz and Highway 50. The El Dorado Canal conveys up to 165 cubic feet per second (cfs) approximately 22.5 miles to Forebay Reservoir in Pollock Pines. At the Forebay Reservoir, the District diverts up to 15,080 acre-feet per year for drinking water treatment at Reservoir 1 WTP.⁴⁷ The balance of the flows entering Forebay Reservoir is utilized for power generation at Project 184's El Dorado Powerhouse.

Crawford Ditch

The District has pre-1914 water rights to 5,000 acre-feet of water annually from both the North Fork Cosumnes River and Clear Creek points of diversion into the Crawford Ditch, a Gold Rush era ditch.

⁴⁷ The District also delivers some water originating in the District's Project 184 facilities into Jenkinson Lake via its Hazel Creek Tunnel.

Water from Crawford Ditch is available only as raw water for irrigation and agricultural customers located along the Crawford Ditch and none of this supplemental supply is included in the District's system firm yield water supply calculations.

In 2021, the calculated system firm yield from the first three of the sources of water supply described above totaled 63,500 acre-feet. Current surface water entitlements from both the American River and Cosumnes River total around 81,500 acre-feet, with 44,200 acre-feet originating in the American River and its tributaries.

The District has no interties with surrounding purveyors although the District's connectivity to Folsom Reservoir provides connection to other purveyors that receive Folsom Reservoir supplies. The District does, however, have multiple interties between the American and Cosumnes basins internal to both the District's raw water intake system and treated water distribution system.

The District currently does not use groundwater as a source of supply, nor does it overlie any groundwater basins identified by DWR Bulletin 118. Given the lack of any groundwater basins on the western slope of El Dorado County, it is extremely unlikely that the District will ever utilize groundwater as a supply in the future. While the District remains open to considering opportunities for conjunctive use projects within or outside of its service area, no such projects have been identified at this time. However, the District is participating in the Regional Water Authority's Sacramento Groundwater Bank.

The District also has a recycled water system with source water from two regional wastewater treatment plants that operate with an annual production rate of approximately 3,500 acre-feet. The District has used recycled water to meet non-potable demands such as industrial processes and irrigation of golf courses, landscaping, outdoor residential irrigation, and road medians within the El Dorado Hills service area. Potable water has been used to supplement the recycled water system since 2002 to meet peak demands. Construction of seasonal storage for recycled water would reduce or eliminate the need to supplement the recycled system with potable water, but the estimated costs to construct seasonal storage make it infeasible at this time.

Surface Water Management

Current and Projected Demands

The District has invested in long-term water efficiency efforts that have kept water demands relatively stable despite population growth in El Dorado County. Current District demands are on average approximately 35 thousand acre-feet (TAF) annually. This is down from approximately 45 TAF in 2008 but demands are expected to return to approximately 40 TAF by 2045. See **Figure 1**, below, for historic District diversions from both the American River and Cosumnes River to meet customer potable demand at WTPs.

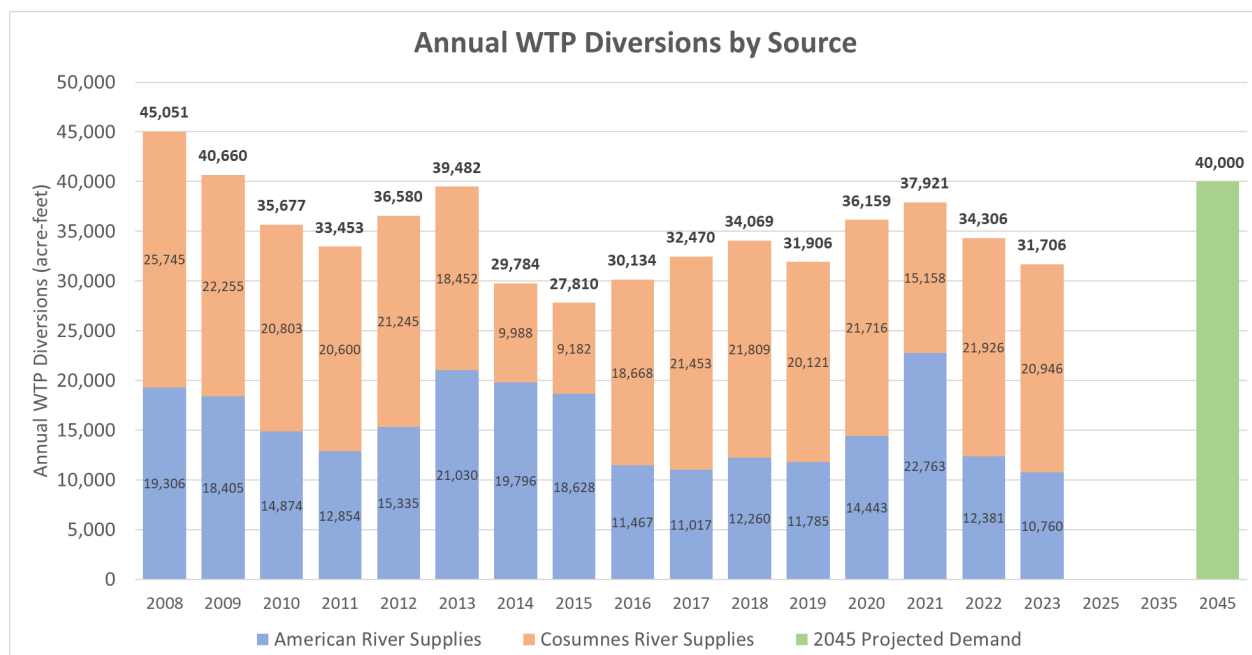


Figure 1. District American River and Cosumnes River Diversions to Meet Customer Potable Demand

The percentage of water demands met by the American River or Cosumnes River supplies described above varies with hydrologic conditions and the operational constraints of the District's water delivery system. Recent hydrologic modeling indicates that hydrologic conditions affecting Cosumnes River supplies during dry and critically dry water years will limit the District's ability to meet increased customer water demands through increased reliance on Cosumnes River supplies. During such dry conditions with future water demands, the District proportional reliance on American River supplies may increase if Cosumnes River supplies are inadequate. As described in more detail below, there may be opportunities for the District to shift from one source of supply (i.e., American River) to another (i.e., Cosumnes River) during certain times to help meet the Water Forum's coequal objectives.

Notably, the District has invested heavily over the last decade in infrastructure improvements that help meet the Water Forum's coequal objectives. Examples include the \$50-million construction of a temperature control device at the District's Folsom Lake intake, the \$25-million piping of an open and unlined ditch, and the recently awarded \$50-million contract to construct the Sly Park Intertie pipeline between the District's two primary supply sources on the American and Cosumnes Rivers.

El Dorado Irrigation District Surface Water Management Proposal

In service to the Water Forum's coequal objectives, and subject to all of the terms and conditions of the Water Forum 2050 agreement, including the caveats and assurances described herein, the District offers the following proposal. Commitments are discussed generally and in four different sections specific to:

- Normal (Most) and wet conditions
- Drier conditions
- Driest conditions
- Critically Low Folsom Reservoir Storage conditions

This proposal was prepared with the following guiding principles in mind:

1. *Reduce surface water diversions from the Lower American River (LAR) in dry conditions to provide for river health.*
2. *Prioritize surface water diversions in wet conditions to allow groundwater recharge.*

As presented in detail above, the District meets customer demand with supplies deriving from both the American River and Cosumnes River watersheds. Consistent with the guiding principles listed above, the District will reduce surface water diversions from the American River in dry conditions by adhering to its then-adopted Drought Action Plan and Water Shortage Contingency Plan. The Drought Action Plan includes specific actions for the management of the District's water supply and demand, addresses the impacts associated with drought, and facilitates the timely implementation of effective drought responses. When and to the greatest extent possible, the District will rely upon Cosumnes River supplies to meet customer demand.

The District does not have access to groundwater and is, therefore, unable to substitute surface water diversions with groundwater extraction in times of surface water scarcity. However, as an operator of reservoirs upstream of Folsom Reservoir, the District is capable of releasing water from storage in Normal (Most) and Wet years for affordable transfer to LAR purveyors, which would allow purveyors that would otherwise need groundwater to forgo groundwater pumping in wet years and thereby promote groundwater recharge. The District is also able to provide additional transfer water in Drier and Driest years – amounts subject to hydrologic conditions and potential curtailments to District entitlements. The District is currently participating in the Regional Water Authority's Sacramento Groundwater Bank and through that venue will seek partnerships with LAR purveyors for the transfers described above.

Normal (Most) and Wet Conditions Management

In normal (most) and wet conditions, the District will use American River supplies to meet up to 50% of its *forecasted 5-year total potable demand* and potentially provide transfer water for conjunctive use to improve groundwater conditions.

- Normal conditions exist when the forecasted unimpaired inflow into Folsom Reservoir (UIFR) is greater than 950 TAF.
- Wet conditions exist when the forecasted UIFR is greater than 1.6 MAF.

In normal and wet conditions, the District's surface water diversions would be defined by the *forecasted 5-year total potable demand* in the most recent Urban Water Management Plan (UWMP). Because the District meets customer demand from both the American and Cosumnes River supplies, the *forecasted total potable demand* must be reduced to account for only the diversions from the American River. The reduction would be informed by recent diversion patterns in the preceding 10-year period with the maximum single-year ratio of demands met with American River supplies being applied to normal conditions (up to 50%). This 10-year maximum ratio of demand met by American River supplies would be applied to the UWMP *forecasted 5-year total potable demand*.

Below is a theoretical example:

- UWMP Forecasted 5-year Total Potable Demand: 40 TAF
- 10-year maximum ratio of American River-derived supplies to meet demand: 50%
- Total American River Surface Water Diversions: $40 \text{ TAF} * 0.50 = 20 \text{ TAF}$

In addition to the commitments for surface water diversions in normal and wet conditions, the District proposes to provide transfer water to LAR purveyors when the UIFR is above 950 TAF and supplies allow. The transfer of water could improve groundwater conditions in the lower reaches of the watershed through direct groundwater recharge or wheeling of water to users that are traditionally served by groundwater in these year types.

Drier Conditions Management

In drier conditions, the District will implement the conservation measures required by its adopted Drought Action Plan, limit use of American River supplies to meet up to 70% of UWMP forecasted 5-year total potable demand, and potentially provide transfer water for conjunctive use to improve groundwater conditions.

- Drier conditions exist when the forecasted UIFR is between 400 TAF and 950 TAF.

In drier conditions, the proportion of diversions from the American River will increase relative to normal and wet conditions due to limited Cosumnes River supplies. Instead of surface water diversion reductions, the District proposes to provide downstream benefits through the reoperation and transfer of stored supplies and entitlements to LAR purveyors. The quantity of water available in drier conditions will be dependent on watershed conditions and reservoir storage. The commitment of potential volumes available for transfer to LAR purveyors or south of the Sacramento-San Joaquin Delta (south-of-Delta) demand and the source of this water can be defined at a later stage.

Driest Conditions Management

In driest conditions, the District will implement the conservation measures required by its adopted Drought Action Plan, limit use of American River Supplies to meet up to 75% of forecasted 5-year total potable demand, and potentially provide transfer water for conjunctive use to improve groundwater conditions.

- Driest conditions exist when the forecasted UIFR is less than 400 TAF.

In driest conditions, the proportion of diversions from the American River will increase relative to drier, normal, and wet conditions due to increasingly limited Cosumnes River supplies. Instead of surface water diversion reductions, the District proposes to provide downstream benefits through the reoperation and transfer of stored supplies and entitlements to LAR purveyors. The quantity of water available in driest conditions will be dependent on watershed conditions and reservoir storage. The commitment of potential volumes available for transfer to LAR purveyors or south-of-Delta demand and the source of this water can be defined at a later stage.

Critically Low Storage Conditions in Folsom Reservoir

Climate change is expected to greatly increase the frequency of critically low storage in Folsom Reservoir. Below characterizes potential District operations that might help the American River under the following two conditions:

1. Potential operations in spring and summer when Folsom Reservoir storage is forecasted to reach 110 TAF at some point in the calendar year:
 - Rely on Cosumnes River supplies to meet customer demand to the greatest extent possible

- Conserve water as described in the District's Drought Action Plan
- Potentially provide transfer water stored higher in the watershed
- Plan for the potential installation of temporary barge and pumps at Folsom Lake

2. Potential operations in summer and fall when Folsom Storage is below 110 TAF:

- Rely on Cosumnes River supplies to meet customer demand to the greatest extent possible
- Conserve water as described in the District's Drought Action Plan
- Potentially provide transfer water stored higher in the watershed
- Potentially install temporary barge and pumps at Folsom Lake

Demand Management

As noted above, the District invested in long-term water efficiency efforts that successfully reduced demands notwithstanding population growth within its service area. Current District demands are on average approximately 23% lower than the peak demand of 45,000 acre-feet in 2008.

In 2019, the District converted its Main Ditch into an underground pipeline, at a cost of approximately \$20 million, to reduce system water losses. That project resulted in annual savings of approximately 1,500 acre-feet of water from seepage and evaporation. The District successfully defended a lawsuit brought by local opposition under the California Environmental Quality Act—see *Save the El Dorado Canal v. El Dorado Irrigation District* (2022) 75 Cal.App.5th 239 (upholding El Dorado Irrigation District's Environmental Impact Report and denying the petition for writ of mandate).

The District's Office of Water Efficiency offers several programs and services to commercial and residential customers to help conserve and achieve higher water efficiency. For example, District water efficiency staff perform water audits for homes and businesses to evaluate irrigation systems, plumbing retrofits, and detect system leaks. The District also offers rebates for qualifying purchases of water-efficient appliances.

The District is committed to abiding by current and future relevant conservation and water use efficiency regulations. At the time of signing the Water Forum 2050 agreement, key requirements are associated with the following: 2024 Making Conservation a California Way of Life regulations, Assembly Bill 1572 related to irrigation of non-functional turf with potable water, and the Model Water Efficient Landscape Ordinance (MWELO) which encourages low-water use and native landscaping for new development.

The District's anticipated approach to comply with current water conservation efforts remains under development. On September 22, 2025, the District awarded a contract to Hoch Consulting to assist the District in developing a compliance and reporting plan to implement the Making Conservation a California Way of Life regulation. The approach will be guided by input from District staff, members of the communities we serve, and regional partners through the Water Forum. A similar process will be employed to roll out programs and actions to meet future regulatory calls for conservation. District staff will leverage the Water Forum to engage and update the region as progress is made.

Contributions to River Corridor Health

To contribute to the co-equal goal of river corridor health, the District will take the following actions:

- Release water below District reservoirs (Lake Aloha, Caples Lake, Silver Lake on the South Fork American River and Jenkinson Lake on the Cosumnes River) that provide downstream benefits to aquatic resources year-round. On the South Fork American River and its tributaries, the District's minimum instream releases are set forth in its FERC license for Project 184 and streamflow is measured at USGS reviewed gaging stations. On the Cosumnes River, minimum instream releases are included in the District's licensed water rights for Camp and Sly Park Creeks. Bypass flows are maintained through an 8" pipe at the Camp Creek diversion dam and release requirements to Sly Park Creek below Sly Park Dam (Jenkinson Lake) are maintained and measured by the District. The instream releases described above in both the American River and Cosumnes River are ongoing and will continue to promote and protect watershed health.
- Conserve water as described in the District's Drought Action Plan to increase instream flows both above and below Folsom Reservoir.
- Make payments to the Central Valley Project (CVP) Restoration Fund. As conditions under its CVP contract, and as a requirement to divert water from Jenkinson Lake (previously considered a CVP facility), the District pays a per-acre foot restoration fee, as authorized by the Central Valley Project Improvement Act. Annual payments depend on hydrology and customer demand in any given year. In 2023, the District paid over \$500,000 in restoration payments to USBR.
- Release additional water from storage for instream flow as part of the American River Tributary portion of the proposed Intra-Tributary Agreement to Implement Healthy Rivers and Landscapes, an alternative to the unimpaired flow approach recommended by the State Water Resources Control Board in the proceedings to update Bay-Delta Water Quality Control Plan.
- Operate its Folsom Lake intake to maximize the benefit of its temperature control device, diverting water above 60 degrees Fahrenheit while USBR is managing the cold-water pool (which may occur annually April through November, depending on conditions).
- Rely on Cosumnes River supplies to meet customer demand to the greatest extent possible, effectively reducing surface water diversions from Folsom Reservoir and the South Fork American River.
- Pursue a feasible alternate supply for customers served by upper Crawford Ditch. Presently, the District diverts up to 15 cfs (closer to 6 cfs on average) from the North Fork Cosumnes River under Pre-1914 water rights from May through October to supply non-potable uses for a small number of customers. If the District can identify a feasible alternative, it could refrain from diverting the water, leaving the water in the North Fork Cosumnes to contribute to in-stream beneficial uses.
- Potentially provide transfer water in normal/wet years for groundwater recharge through the Sacramento Groundwater Bank and during drier/driest years to meet LAR and south-of-Delta demand to increase instream flows below Folsom Reservoir.

Contributions to Water Supply Reliability

To contribute toward the co-equal goal of water supply reliability, the District will take the following actions:

- Continue investing in water supply reliability by adhering to its annually adopted 5-year capital improvement plan. Notable projects in that plan include:
 - Construction of the Sly Park Intertie (currently under construction in 2025)
 - Replacement of wooden flumes with concrete
 - Replacement of hypalon water storage reservoirs with concrete
 - Replacement of the Silver Lake Dam (scheduled to begin in 2027)
- Expand its water treatment and transmission facilities as described in its then current Water and Recycled Water Master Plan (adopted on June 24, 2024).
- Potentially provide transfer water in normal years (groundwater recharge) and during drier/driest years (meet LAR demand) to increase instream flows below Folsom Reservoir.

The final section of this document includes a list of completed and ongoing District projects.

Caveats and Assurances

1. The signatories hereby acknowledge that the District's existing Urban Water Management Plan forecasts an increase in future customer potable water demand. The signatories further acknowledge that (1) the District will need to ensure that it has sufficient available water supplies to meet forecasted future water demands throughout the District's service area; and (2) ensuring sufficient available water supplies may require the District to undertake infrastructure and non-infrastructure projects that impact District water rights and supplies.
2. Without foregoing any current or future rights or remedies with respect to any project in particular, the Signatories hereby commit to work in good faith toward understanding each party's respective interests and to seek to resolve any concerns regarding present and future water rights projects.
3. In the event of unforeseen circumstances, the District must be relieved of the commitments included herein. Unforeseen circumstances include, but are not limited to, curtailment of senior water rights, unanticipated infrastructure failures, forecasted carryover storage that falls below historical averages, changes in statute or regulation that inhibit the District's ability to meet commitments, etc.

Project List and Future Water Supply Reliability Efforts

The following projects and initiatives are key to the District meeting the commitments contained herein and its water supply reliability in 2030 and beyond:

- Regional water transfers and agreements (partnerships)
- Addition of upstream point of diversion to Permit 21112

Table 1 provides a listing of major completed and ongoing District projects.

Table 1. Major Water Supply Projects that Promote Water Forum Coequal Objectives

Project(s) Identified in Water Forum Agreement		Project Status
Completed	Main Ditch Piping project	<i>Project completed in 2022</i>
	Replacement of wooden flumes with concrete	<i>Many sections completed with others in the planning/design phase</i>
	Folsom Lake Intake project with temperature control device (TCD)	<i>The project is complete and TCD operational as of 2023</i>
Ongoing/Pending	Sly Park Intertie	<i>Intertie construction active in 2025</i>
	Replacement of Silver Lake Dam	<i>Dam construction to begin in 2027</i>
	Addition of upstream point of diversion for Permit 21112	<i>Public engagement and environmental document preparation</i>
	Improved and expanded transmission with the District distribution system	<i>See Water and Recycled Water Master Plan for details</i>
	Expanded treatment capacity of El Dorado Hills Water Treatment Plant	<i>Planning and public engagement phase</i>
	Recycled water storage project	<i>Planning phase</i>
	Negotiation of agreement with El Dorado Water Agency to utilize Fazio water	<i>TBD</i>
	Potentially provide transfer water to meet LAR needs	<i>TBD based on potential agreements with LAR purveyors</i>
	Pursue a feasible alternate supply for customers served by upper Crawford Ditch (North Fork Cosumnes River)	<i>Planning phase</i>



WATER FORUM AGREEMENT

2050

Golden State Water Company Arden System and Cordova System Purveyor Specific Agreement

Updated: January 8, 2026

Purveyor Background

Golden State Water Company (GSWC) is a subsidiary of American States Water Company, an investor-owned utility dedicated to increasing value through the expert management of utility assets and services. GSWC, then known as Southern California Water Company, was formed in 1929. In the 1960's, GSWC purchased multiple water systems in Sacramento County to form the GSWC Cordova and the GSWC Arden systems. The two water systems are not hydraulically connected to each other. Today, the GSWC Cordova serves a portion of the City of Rancho Cordova and the unincorporated community of Gold River. In 2023, GSWC Cordova served approximately 15,424 connections. GSWC Arden serves a portion of the unincorporated community of Arden within the political jurisdiction of the County of Sacramento. In 2023, GSWC Arden served approximately 1,770 connections.

Supply Portfolio

GSWC Cordova's water supplies have been augmented over time to adapt to changing conditions and provide a diverse and flexible water supply portfolio.⁴⁸ GSWC Cordova's primary water supply consists of groundwater pumped from the Sacramento Valley Groundwater Basin through GSWC-owned wells, and surface water from the American River that is treated at the Coloma Water Treatment Plant. Water assets include a pre-1914 appropriative water right, Aerojet GET (Groundwater Extraction and Treatment) water supplies from a remediation agreement, and native groundwater supplies. GSWC Cordova also maintains emergency connections with neighboring agencies that allows it access to additional sources of water in emergency conditions.

GSWC Arden derives its supply from the Sacramento Valley Groundwater Basin through GSWC-owned wells. GSWC Arden also maintains emergency connections with neighboring agencies that allow it access to additional sources of water in emergency conditions.

⁴⁸ GSWC Cordova 2020 UWMP, July 2021, page ES-2.

Surface Water Supplies⁴⁹

For GSWC Cordova, GSWC possesses a pre-1914 appropriative right from the South Fork of the American River established by the Natoma Water Company in 1851. Natoma Water Company's original pre-1914 water right established a maximum diversion rate "to fill a Canal Eight feet wide and Four feet deep with a current running ten miles per hour." This correlates to a diversion rate of 60 cubic feet per second (cfs) and a maximum allocation of 32,000 acre-feet per year. This water right is held jointly with City of Folsom pursuant to a co-tenancy agreement. The co-tenancy agreement means that both the City of Folsom and GSWC have the right to use the water to the fullest extent possible as desired by the respective entities. The City of Folsom and GSWC have allocated the supplies under the entire 32,000 acre-foot water right. The City of Folsom unilaterally controls 22,000 acre-feet and GSWC controls the remaining 10,000 acre-feet of which 5,000 acre-feet is under contract. In November 1994, the City of Folsom and GSWC executed a contract under which the City of Folsom acquired the right to lease 5,000 acre-feet of water per year. As such, the basis of this water asset is held with GSWC pursuant to the co-tenancy agreement but the lease of the water asset to the City of Folsom is pursuant to a lease agreement. The 1851 filing is the earliest in priority of perfected appropriative rights on the South Fork of the American River and is recorded.

GSWC Cordova's surface water supply is diverted from the Folsom South Canal and is treated at the Coloma/Pyrites Water Treatment Plant.

GSWC Arden does not rely on surface water supply.

Groundwater Supplies⁵⁰

Groundwater supplies constitute a major component of the GSWC Cordova's water supply portfolio. The groundwater supplies for GSWC Cordova are derived from the South American Subbasin of the Sacramento Valley Groundwater Basin. The aquifers in the area are recharged from rainfall, applied irrigation water, streambed recharge, and irrigation channel recharge. The American River provides substantial stream channel infiltration.

GSWC Cordova has eight active groundwater wells. These wells are located throughout GSWC Cordova's service area and include both typical wells and those with wellhead treatment to address the Aerojet contamination issues in the service area.

Groundwater supply constitutes the entirety of the GSWC Arden's water supply portfolio. The groundwater supplies for GSWC Arden are derived from the North American Subbasin of the Sacramento Valley Groundwater Basin. GSWC Arden has six active groundwater wells.

Aerojet GET Water Supply⁵¹

As of 2015, GSWC had nine wells in GSWC Cordova. Prior to 2015, fourteen wells had to be destroyed due to contamination, and another was transferred to Aerojet for use as a remediation well. As part of a settlement agreement, Aerojet is obligated to deliver 5,000 AF of granted water to GSWC each year.

⁴⁹ GSWC Cordova 2020 UWMP, July 2021, page 3-1.

⁵⁰ GSWC Cordova 2020 UWMP, July 2021, page 3-3.

⁵¹ GSWC Cordova 2020 UWMP, July 2021, page 3-9.

This water is discharged by Aerojet remediation wells into the American River for extraction and treatment at the Carmichael Water District (CWD) water treatment plant. The treated water is then pumped under the American River and into the GSWC Cordova service area. This agreement with CWD allows GSWC to divert and use the Aerojet GET Water replacement supply.

Per GSWC's 2020 Urban Water Management Plan (UWMP), it should be noted that additional groundwater wells may be taken offline in the future due to contamination. GSWC's Settlement Agreement requires Aerojet to supply up to an additional 10,200 acre-feet of water per year.

Distribution System of Note

GSWC Cordova maintains an intertie with CWD, an intertie with Sacramento County Water Agency (SCWA), and emergency interconnections with SCWA, the City of Folsom, and two locations with California American Water. GSWC Arden maintains two emergency connections with Sacramento Suburban Water District (SSWD).

Current and Projected Demands

GSWC Cordova

Table 1 summarizes the GSWC Cordova demand over the last 10 years. The current GSWC Cordova service area is primarily characterized by low- to medium-density residential land use, with some mixed use, commercial, and light industrial land use also present, mostly along Sunrise Boulevard and Coloma Road.⁵² There is a corridor of parks and open space along the American River Parkway in the northern portion of the service area. Most development in the service area existed prior to 2015 and is not expected to change significantly through 2045 (2020 UWMP planning period).

Table 1. GSWC Cordova—Historical Annual Demands

Year	Total Demand (AFY)*
2014	13,954
2015	11,594
2016	12,790
2017	13,293
2018	13,456
2019	13,037
2020	14,360
2021	13,592
2022	12,561
2023	12,308

* Includes non-revenue water use

Development and redevelopment in the existing GSWC Cordova service area, where expected, will consist mostly of incremental infill that does not significantly change existing land uses. Transit Oriented Development and mixed-use infill along Folsom Boulevard and the Gold Line light rail route will likely be among the most significant changes from current conditions within the existing service area. The

⁵² GSWC Cordova 2020 UWMP, July 2021, page 2-5.

unincorporated community of Gold River is primarily residential and near full build-out; future land use is expected to closely resemble current land use in this portion of the service area.

Projected water demands (**Table 2**) are from GSWC Cordova’s 2020 UWMP for the planning period of 2025 through 2045.⁵³ GSWC may expand its service area boundary in the future to serve the proposed Westborough Development Project (Westborough Project) which is planned to be developed on land southeast of the current service area, east of Sunrise Boulevard and south of Folsom Boulevard. The Westborough Project site is located on lands that were once part of the Aerojet-Rocketdyne facilities and would consist of 1,665 acres of new residential, mixed-use development including 7,072 dwelling units, a town center and commercial area, parks, a school, water delivery facilities, and open spaces. The Westborough Project could potentially begin construction within the next five years and may reach full buildout by 2040.

Table 2. GSWC Cordova—Projected Water Demands, AFY (2025 – 2045)

Year	2025	2030	2035	2040	2045
Current Service Area	13,605	13,949	14,301	14,662	15,032
Westborough Project	2,400	2,796	4,028	4,028	4,028
Total	16,005	16,745	18,329	18,690	19,060

Note:

- GSWC Cordova 2020 UWMP Table 4-5.
- GSWC Cordova 2020 UWMP Table 4-6.
- Per the 2020 UWMP, demand assumptions for Westborough are based on the Westborough internal planning documents, which are currently in draft form and subject to change but represent the reasonable information available to GSWC at the time of the 2020 UWMP preparation.

GSWC Arden

Table 3 summarizes the GSWC Arden demand over the last 10 years. The current GSWC Arden service area is primarily characterized by low- to medium-density residential land use, with some commercial land use. The GSWC Arden System is considered near build-out. Most new connections are likely to be generated by redevelopment rather than new development. Preparation of a UWMP is not required for GSWC Arden; for the planning period of 2025 through 2045, projected demands are expected to be relatively constant compared to the existing demands.

Table 3. GSWC Arden—Historical Annual Demands

Year	Total Demand (AFY)*
2014	896
2015	778
2016	793
2017	854

⁵³ GSWC Cordova 2020 UWMP, July 2021, page 4-6.

Year	Total Demand (AFY)*
2018	836
2019	836
2020	932
2021	925
2022	852
2023	828

* Includes non-revenue water use

Surface Water Management

Surface water is integral to GSWC Cordova's water supply portfolio. The following sections describe how surface water is managed for the GSWC Cordova System. GSWC Arden does not rely on surface water.

Current Diversions

Table 4 summarizes the annual diversions from the American River.

Table 4. GSWC Cordova—Historical Diversions from the American River

Year	GSWC Cordova (AFY)	City of Folsom Leased Water* (AFY)	Total Diversion (AFY)
2014	4,768	4,470	9,238
2015	3,569	3,988	7,557
2016	4,068	3,510	7,578
2017	4,596	-	4,596
2018	4,994	-	4,994
2019	4,623	-	4,623
2020	2,500	-	2,500
2021	3,929	-	3,929
2022	4,649	-	4,649
2023	5,053	-	5,053

* From 2014 – 2016, GSWC leased American River water supply from the City of Folsom due to a short-term emergency to mitigate the loss of groundwater due to contamination. In 2017, the American River pipeline became operational and GSWC Cordova started receiving supplies from CWD. See *Aerojet GET Water Supply* Section for more detail.

Future Projected Diversions

GSWC Cordova will continue to use its pre-1914 appropriative right from the South Fork of the American River.

Drier Conditions Management

The fundamental management tenet for GSWC Cordova's water service reliability in dry periods is to coordinate with the City of Folsom and United States Bureau of Reclamation (Reclamation) for its pre-1914 appropriative surface water rights, Sacramento Central Groundwater Authority for groundwater management, and CWD for the treated Aerojet supply.⁵⁴ Discretion over the amount of groundwater pumped allows GSWC Cordova to match its total supplies to meet annual demands which increases GSWC Cordova's dry year resilience.

In 2015, the driest year in the last 100 years in California, the State Water Resources Control Board curtailed some pre-1914 appropriative water rights with priority dates as early as 1903. The 1851 water right was protected from curtailment because of its seniority. As such, the entirety of this water right was available to GSWC in all year types which makes it extremely resilient against drought conditions and regulatory curtailment.

In February 2024, the California Public Utilities Commission (CPUC) approved GSWC's request to enter into the American River Terms of Ecosystem Support and Infrastructure Assistance Needs (ARTESIAN) Project Agreement. The ARTESIAN Agreement would require GSWC to forebear the use of up to 763 acre-feet of its surface water rights from the South Fork of the American River during three dry or critical years from 2025 through potentially 2036. In exchange, GSWC would receive grant funding to upgrade its interconnections with SCWA. This Agreement to intermittently encumber water will be similarly followed by eight other entities, working together through a Department of Water Resources (DWR) endeavor to reduce diversions from the Lower American River during dry years and increase instream flows necessary to support ecosystems and fish species, by encumbering a total of 30,000 AF of water each of those years.

GSWC acknowledges and supports the goals and general framework of the Sustainable Groundwater Management Act (SGMA) and intends to operate its surface water and groundwater supplies in a manner broadly consistent with SGMA objectives, to the extent applicable to the company and subject to regulatory and contractual obligations.

Driest Conditions Management

See previous section for Drier Conditions Management.

Critically Low Storage Conditions

See previous section for Drier Conditions Management.

Demand Management

From the perspective of GSWC, demand management is a critical strategy for ensuring long-term water supply reliability, regulatory compliance, and operational efficiency while staying committed to customer service and environmental stewardship. By offering programs such as conservation incentives, employing tiered rate structures, performing reoccurring leak detection efforts, and engaging in public education, GSWC can more effectively manage consumption, especially during drought or peak demand periods

⁵⁴ GSWC Cordova 2020 UWMP, July 2021, page ES-4.

Project List and Future Water Supply Reliability Efforts

Structural

- Upgrades to GSWC Cordova interconnections with SCWA due to the ARTESIAN Agreement
- Ongoing water main and service replacements to reduce water loss for both systems (GSWC Cordova and GSWC Arden)
- Ongoing replacement of aged water meters to control and/or reduce non-revenue water for both systems

Non-Structural

- Continued water use efficiency programs for both systems.

Caveats and Assurances

1. The ability for any individual purveyor to implement the surface water diversions principles will depend on their respective opportunities and constraints.
2. In circumstances where excess water is made available by Reclamation by a Section 215 Contract between the purveyor and Reclamation due to flood control or "uncontrolled season" operations at Folsom Reservoir, for the purposes of groundwater recharge, that water would not be counted as diversion water within their Purveyor Specific Agreement (PSA), regardless of year type.
3. Protection of purveyor's water entitlements. This Agreement shall not modify or diminish any vested water rights, including GSWC's pre-1914 appropriative right on the Lower American River. Use of surface water for the purpose of maintaining hydraulic control to prevent groundwater contaminant migration resulting from basin pumping shall remain a fully protected and recognized exercise of GSWC's water entitlements.
4. Support aquifer storage and recovery for the purposes of groundwater recharge and surface banking within purveyors' water entitlements.
5. Water demands in future UWMPs shall be re-visited and updated in the surface water diversions table.
6. GSWC is contractually obligated to use its 5,000 acre-feet of surface water rights as the baseline supply for the GSWC Cordova system. Deviation from this requirement requires consent from the other party. This consent would be sought during severe adverse conditions, but a positive outcome cannot be assured.
7. GSWC is regulated by the California Public Utilities Commission (CPUC). GSWC's implementation of this PSA is subject to review by the CPUC. GSWC may modify or terminate implementation of this PSA upon receiving an adverse decision related to implementation by the CPUC.



WATER FORUM AGREEMENT 2050

Placer County Water Agency Purveyor Specific Agreement

Updated: January 8, 2026

Purveyor Background

Placer County Water Agency (PCWA) was created in 1957 by a special act of the California Legislature known as the Placer County Water Agency Act. The boundaries of PCWA are coterminous with the boundaries of Placer County. PCWA has a five-member board of directors elected in each of the county's supervisorial districts for four-year terms.

PCWA carries out a broad range of responsibilities including water resource planning and management, wholesale and retail supply of water, and hydroelectric energy production. PCWA has access to stored surface water appropriative rights and contract entitlements totaling roughly 500,000 acre-feet per year (AFY), with about half this amount being planned for consumptive use. PCWA also has access to a regionally managed sustainable groundwater supply.

PCWA currently delivers approximately 100,000 AFY of treated and untreated water to retail customers and approximately 30,000 AFY to neighboring water suppliers for resale, serving a total population of over 250,000 people in Placer County directly or indirectly. In addition, PCWA regularly makes surface water available through transfers to assist fishery protection goals in the lower American River while simultaneously providing water supplies to water purveyors across the state with limited access to water in dry years and periods of drought.

In the future, it is anticipated that PCWA will have a buildout water demand of approximately 253,000 AFY. PCWA is actively engaged in regional water planning, such as conservation and conjunctive use, to ensure sufficient water supply is available to meet demands.

Service Area

In accordance with its act, PCWA's district boundary overlays the entire area of Placer County. However, PCWA formed Zone 6 as a boundary to reflect its practical service area under current planning in western Placer County (**Figure 1**). The Zone 6 service area is a financial and operational amalgamation of four separate systems acquired or developed over time. Each of these underlying systems is designated as a PCWA Zone; numbered 1, 2, 3 and 5.⁵⁵ PCWA refers to Zone 6 as the "Western Water System."

⁵⁵ Previously, PCWA served an area called Zone 4. Zone 4, located in Martis Valley near Truckee, California, is now served by Northstar Community Services District.

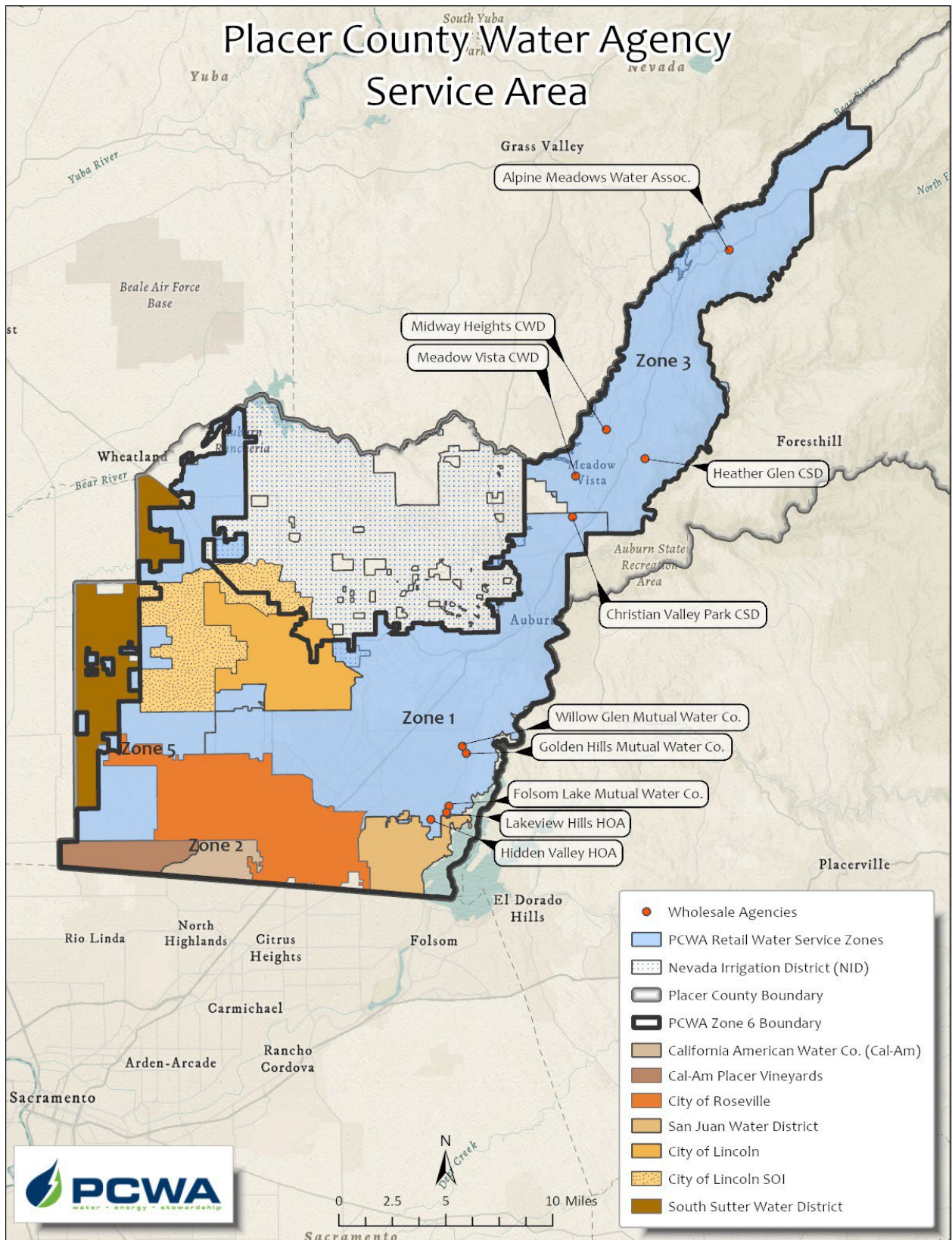


Figure 1. PCWA's Service Area and Zones

The Zone 6 service area extends from the community of Alta on the east, westward down the Interstate 80 corridor, and bounded by the Nevada Irrigation District to the north, the South Sutter Water District to the west, Sacramento County to the south, and El Dorado County to the east. The service area includes retail treated water deliveries to the communities of Alta, Monte Vista, Applegate, Colfax, Auburn, Loomis, Rocklin, and much of the surrounding unincorporated areas within Placer County. PCWA also provides wholesale treated water to the City of Lincoln and California American Water for use in their franchise area west of Roseville and south of Baseline Road, and to other relatively small community water systems throughout PCWA's service area.

In addition to treated water service, PCWA provides untreated water through its extensive canal system to individual customers and water for treatment and resale by other retail water purveyors. Untreated water comprises more than half of PCWA's delivery by volume.

PCWA also provides untreated water under its North Fork American River water rights into Folsom Lake for delivery to the San Juan Water District (SJWD), the City of Roseville, and Sacramento Suburban Water District (SSWD). Thus, PCWA's place of use for its American River water rights extends outside of its district boundary (**Figure 2**).

Supply Portfolio

PCWA uses surface water as its primary water supply for delivery to its wholesale and retail customers. PCWA may also use groundwater in dry hydrologic conditions to meet demands and may use recycled water – produced by the cities of Roseville and Lincoln – to meet demands in the future. Existing and planned supplies are described below and summarized in **Table 1**.

Table 1. PCWA's Existing and Planned Supplies, AFY

Supply Source	2020	2025	2030	2035	2040	Buildout
Middle Fork Project (MFP)	120,000	120,000	120,000	120,000	120,000	120,000
MFP Downstream ¹	47,000	47,000	47,000	47,000	47,000	47,000
Central Valley Project ² (CVP)	0	0	35,000	35,000	35,000	35,000
Pacific Gas and Electric (PG&E)	125,400	125,400	125,400	125,400	125,400	125,400
Pre-1914 Appropriative Rights	3,400	3,400	3,400	3,400	3,400	3,400
Recycled Water	0	0	2,500	5,000	7,000	9,000
Groundwater	2,000	2,000	4,000	4,000	5,000	5,000
TOTAL SUPPLY	297,800	297,800	337,300	339,800	342,800	344,800

1. MFP supply to be delivered to an expanded place of use downstream in dry years, see Surface Water Management.
2. CVP supply is currently not available due to physical limitations until infrastructure is in place to access this supply, which is assumed to be in 2030.

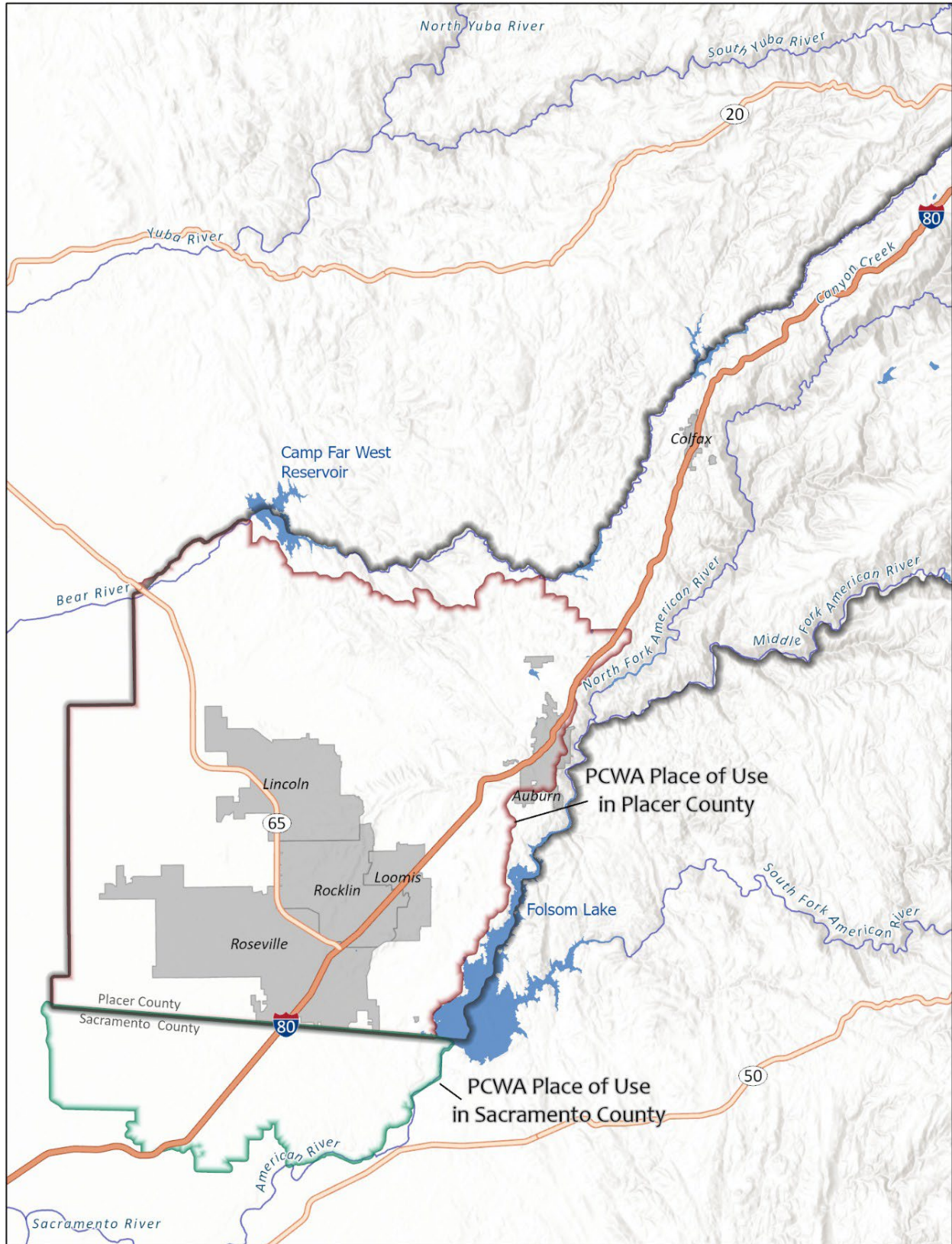


Figure 2. PCWA's American River Water Rights Place of Use

Surface Water

PCWA's surface water supplies consist of water diverted from the Yuba, Bear, and North Fork American Rivers and its tributaries which includes the following:

- Water purchased from Pacific Gas and Electric Company (PG&E) from the Yuba and Bear Rivers (via the Drum-Spaulding hydropower system) under the 1982 Zone 3 Contract Purchase Agreement and the 2015 Water Supply Agreement
- Direct diversions from the North and Middle Forks of the American River and water stored in its Middle Fork Project (MFP) under water rights permits 13856 and 13858;
- Central Valley Project (CVP) water under CVP Repayment Contract 14-06-200-5082A-IR1-P from the American River
- Surface water from various small creeks under pre-1914 water rights

A description of PCWA's existing surface water supplies is provided below.

PG&E Contracts

PCWA has two water supply contracts with PG&E for the purchase of up to 125,400 AFY for irrigation and domestic purposes—100,400 AFY under an agreement for the “Western Water System” (formerly Zones 1, 2, and 5) and 25,000 AFY under another agreement for Zone 3. The underlying rights for the PG&E supply are PG&E's pre-1914 appropriative rights to water in the Yuba and Bear Rivers, which were established prior to the time that PG&E developed hydroelectric facilities throughout the Yuba and Bear watersheds and are dedicated to consumptive needs in Nevada and Placer Counties. The water supply that PCWA purchases from PG&E is used to meet both untreated and treated water demands within PCWA's service area.

PG&E Drum-Spaulding water supplies have historically been very reliable. However, during recent droughts the allocation of this supply has been reduced, and climate change projections indicate that this water supply will not be as reliable due to warming temperatures and reductions in precipitation as snowfall. Additionally, the age of the infrastructure in PG&E's Drum Spaulding System has resulted in an increase in infrastructure failures and periods of outage for repairs that affect the reliability of this water supply.

American River Water Rights

PCWA holds appropriative water rights on the North Fork and Middle Fork of the American River and various tributaries thereof pursuant to Permits 13856 and 13858 through the California State Water Resources Control Board (State Water Board), Division of Water Rights, and owns and operates the MFP, a multi-purpose water supply and hydroelectric-generation project. Major components of the MFP include two storage reservoirs, five regulating reservoirs and diversion pools, and five powerhouses. The MFP seasonally stores and releases water to meet consumptive water demands within western Placer County and northern Sacramento County while simultaneously generating clean and renewable power for the California electric grid. Currently, PCWA's use of American River water for consumptive purposes is diverted at two locations: (1) American River Pump Station (ARPS); and (2) Folsom Dam.

The two water rights permits provide water supplies to PCWA's treated and irrigation water customers from the ARPS and to PCWA's wholesale customers from Folsom Dam. PCWA may use water under its

permitted water rights in western Placer County, as well as portions of northern Sacramento County, including SJWD and its wholesale family, SSWD, and Rio Linda/Elverta Community Water District service areas. PCWA's wholesale customers with deliveries out of Folsom Dam currently include the City of Roseville, SJWD, and SSWD.

The year of priority for water right Permits 13856 and 13858 is 1958, one year after PCWA was established by the Placer County Water Agency Act. These water rights were originally part of a State Filed Application filed pursuant to California Water Code section 10500 and were released from priority pursuant to California Water Code section 10504. The release from priority operates as a limited exception to the rule of priority, precluding the eventual assignee of the original State Filed Application from asserting priority against PCWA.

The consumptive volume of water available to PCWA from its American River water rights is currently limited by agreement with the U.S. Bureau of Reclamation (Reclamation). This limitation is related to performance by Reclamation in providing an alternate supply to PCWA pursuant to their CVP contract. The contextual relationship of these supplies is described below.

In November 2007, PCWA timely filed petition for extension of time with the State Water Board requesting an additional 36 years (until the year 2043) in which to put water allocated under these permits to full beneficial use. This petition was supported by members of the Environmental Caucus of the Water Forum. In March 2008, the State Water Board issued a Notice of Petition for Extension of Time (Petition) for Water Right Permits 13856 and 13858. PCWA's Petition for Extension of Time is pending before the State Water Board.

Central Valley Project Contract

PCWA has a CVP water supply contract with Reclamation for delivery of up to 35,000 AFY for municipal and industrial purposes, including groundwater recharge programs that are consistent with applicable State law. The CVP Repayment Contract 14-06-200-5082A-IR1-P (dated February 28, 2020) remains in effect in perpetuity. Reclamation reserves the right to apportion the available CVP water supply among PCWA and other CVP water contractors under its Municipal and Industrial Water Shortage Policy.

PCWA's point of diversion for CVP water under the CVP Contract is Folsom Dam, but the contract also includes potential for other points of diversion, including the Sacramento River, if agreed to by the Contracting Officer. PCWA does not currently own or control facilities that are capable of conveying CVP water from Folsom Dam to the PCWA service area. As such, the availability of the water supply is currently affected by physical limitation. PCWA is engaged in negotiations with Natomas Central Mutual Water Company and other regional entities to utilize existing facilities to divert and deliver PCWA's CVP project water supplies from the Sacramento River.

PCWA is a partner agency on the RiverArc Project, which would diversify water supplies by shifting a portion of regional water demand from the American River and Folsom Reservoir to the Sacramento River. PCWA anticipates the future opportunity to divert all or a portion of its CVP contract water from a diversion on the Sacramento River as part of the RiverArc Project.

Contextual Relationship of American River Water Rights and CVP Contract

PCWA completed construction of its MFP in 1967. This project has a current total storage capacity of 342,583 acre-feet (AF) in two major reservoirs and several smaller reservoirs. As originally planned, the

MFP was to be comprised of three major reservoirs: French Meadows, Hell Hole, and American Bar. American Bar Dam was to be located just south of Foresthill, below the current Oxbow Powerhouse. American Bar Dam and Reservoir would have provided an additional 100,000 AF of water storage for the people of Placer County, as well as another large hydroelectric plant. Reclamation opposed PCWA's water right applications for the MFP and specifically American Bar Dam, because it was planned in the upper reaches of the flooded area of the future Auburn Dam. PCWA had also protested Reclamation's applications for water on the American River, including for the Auburn Dam. PCWA and Reclamation then entered negotiations to resolve the protests in a way that would allow construction of both projects.

The negotiations resulted in a series of agreements which provided, in pertinent part, that PCWA would abandon plans to build American Bar Dam, instead moving the lowest of the MFP dams to Ralston Afterbay. PCWA also agreed to limit consumptive use diversions from the MFP to 120,000 AFY. In exchange, Reclamation was to provide PCWA with an additional 117,000 AFY of CVP water. This agreement insured PCWA that it had sufficient water supplies to meet the demands of Placer County and was memorialized in a 1966 "Agreement and Stipulation" between PCWA and Reclamation. The amount of CVP supply was subsequently agreed to be reduced to 35,000 AFY, which is now provided for in PCWA's 2020 long-term repayment contract.

PCWA's consumptive water rights from the MFP are still under development. PCWA's agreement to limit its diversion of MFP supply to 120,000 AFY subject to Reclamation's agreement to provide 35,000 AFY provides PCWA with a total of 155,00 AFY from the American River watershed. This amount combined with PCWA's water delivered by PG&E from the Drum-Spaulding system is sufficient to meet buildout demands. This amount diverted from the American River is well within PCWA's MFP storage capacity of 342,583 AF. Should Reclamation fail to fulfill its obligations under the various settlement agreements with PCWA, PCWA would be ready, willing, and able to obtain the full amount from its MFP storage. In addition, PCWA is planning to deliver an additional 47,000 AFY of MFP water for consumptive use downstream of the confluence of the American and Sacramento Rivers. This consumptive use would be in dry years as part of a mitigation strategy for the lower American River, as discussed elsewhere in this document.

Pre-1914 Appropriative Rights

PCWA holds four pre-1914 appropriative water rights for diversion of water from various small creeks and their tributaries in western Placer County. These rights are generally for agricultural purposes, including irrigation and livestock watering.

Surface Water Summary

Table 2 identifies the source, purpose of use, maximum available quantity, and place of use for each PCWA surface water supply.

Table 2. PCWA's Surface Water Supply Summary

Supply	Source	Purpose of Use	Volume, AFY	Place of Use
Water Right Permits 13856 and 13858	American River	Irrigation, Domestic, Municipal, and Industrial, Recreation	120,000 ¹	Western Placer County and Portions of Sacramento County (see Figure 2)
Water Right Permits 13856 and 13858	American River	Irrigation, Domestic, Municipal, and Industrial, Recreation	47,000 ²	Proposed expanded place of use to include East Bay Municipal Utility District and other potential downstream buyers
Central Valley Project Contract	American River ³	Municipal and Industrial	35,000	Place of use pursuant to contract (generally PCWA's Zone 1)
PG&E Water Supply Agreement (2015)	Yuba and Bear Rivers	Irrigation and Domestic	100,400	Western Water System (generally PCWA's Zone 6)
PG&E (Zone 3) Purchase Agreement (1982)	Yuba and Bear Rivers	Irrigation and Domestic	25,000	PCWA's Zone 3
Pre-1914 Appropriative Right (S000959)	Canyon Creek	Irrigation and Domestic	40 cfs (Max.)	Alta, Colfax, Monte Vista and rural areas (Not limited to Zone 3)
Pre-1914 Appropriative Right (S000967)	Tributary to Auburn Ravine	Irrigation and Stock Watering	Not Stated	"Boardman Canal" Area
Pre-1914 Appropriative Right (S010397)	South Fork Dry Creek Tributary to Coon Creek	Irrigation	Not Stated	Localized Irrigation Just East of Auburn
Pre-1914 Appropriative Right (S010398)	North Fork Dry Creek Tributary to Coon Creek	Irrigation	Not Stated	Localized Irrigation Just East of Auburn

1. See Contextual Relationship of American River Water Rights and CVP Contract.
2. Environmental flows to be sold downstream, see Surface Water Management.
3. PCWA is pursuing relocation of this point of diversion to the Sacramento River.

Groundwater

PCWA has historically produced a limited quantity of groundwater. PCWA does not anticipate utilizing groundwater to support its normal year water deliveries. PCWA has two wells – the Sunset Well and the Tinker Well – each with a production capacity of about 1,000 AFY. These wells are for backup and dry-year supplies. The proposed Regional University development plans to construct one new well and the current Placer One development plans to construct two new wells, increasing PCWA's groundwater supply from the current 2,000 AFY to 5,000 AFY in 2040 (Table 1).

Recycled Water

The County of Placer has access to recycled water through its wastewater service arrangements with the cities of Roseville and Lincoln and has dictated use of these supplies as a condition of development in the

Placer Vineyards, Placer One, and Regional University projects. Potential retailers of these supplies are the county, PCWA, and California American Water. Regardless of who the retailer is, these supplies would be available as conditions of those development projects. PCWA anticipates the quantities of recycled water presented in Table 1 to be made available. The details of recycled water delivery are being developed as part of on-going regional planning.

Distribution System

Untreated Water

The PCWA untreated water conveyance system consists of 170 miles of earthen and lined canals, with flumes and pipelines where appropriate, beginning in the community of Alta, flowing southwest, generally following Interstate 80, and ending in Roseville. The main canal in the system is the Boardman Canal, which flows contiguously from Alta to Roseville. In Auburn the canal system begins to distribute outward into branch canals. There are also two canals in western Placer County that divert water from the Auburn Ravine. PCWA purchases water at several connections to the PG&E canal system called “Buy Points,” positioned at key locations between Alta and the end of PG&E’s South Canal. Water can also enter the canal system from accretion flows, pre-1914 water rights, and return flows from PCWA untreated water customers (water that is delivered to customers and flows back into the canal).

PCWA can also pump MFP water out of the North Fork of the American River at the ARPS, into the 3-mile Auburn Tunnel under the City of Auburn to a valved outlet into Auburn Ravine, where the water is delivered to the two canals in western Placer County. MFP water can also be pumped out of the tunnel at the Ophir Road Pump Station into the PG&E South Canal, to PCWA’s Dutch Ravine Canal, or to the Foothill and Ophir (future) water treatment plants.

Treated Water

PCWA owns and operates nine water treatment plants between Alta and Rocklin, producing approximately 40,000 AF of potable water each year. Treated water is distributed by 615 miles of pressurized pipe and delivered to various retail and wholesale customers.

PCWA also has several treated water interties with neighboring water agencies: Nevada Irrigation District, SJWD, the City of Lincoln, and the City of Roseville. Some of these connections are one-way due to pressure differences, while other connections can flow water in either direction with the use of pumps or pressure-reducing valves.

Current and Projected Demands

PCWA’s water use is broken down into four classifications: retail treated, retail untreated, wholesale treated, and wholesale untreated. PCWA’s current (2020) treated and untreated retail demands are 101,613 AFY and are projected to increase to 125,134 AFY at buildout. PCWA’s current (2020) treated and untreated wholesale demands are 31,376 AFY and are projected to increase to 128,282 AFY at buildout. **Table 3** provides the total current and projected PCWA customer demands for 5-year increments through 2040 and buildout conditions. The treated water demand estimates account for an appropriate amount of water use reduction resulting from the successful implementation of Senate Bill 7x-7, “20 by 2020,” and anticipated reduction from the regulation titled “Making Conservation a California Way of Life.”

Table 3. Summary of PCWA's Total Customer Demand Projections, AFY

Classification of Water Use	2020	2025	2030	2035	2040	Buildout
Treated Retail	29,065	33,182	37,773	43,780	52,637	62,036
Untreated Retail	72,548	71,208	69,298	67,681	66,313	63,098
RETAIL SUBTOTAL	101,613	104,390	107,071	111,461	118,950	125,134
Treated Wholesale	11,450	15,413	18,388	22,710	27,032	47,276
Untreated Wholesale	19,926	54,923	58,712	63,289	81,006	81,006
Untreated Downstream ^{1,2}	19,000	47,000	47,000	47,000	47,000	47,000
WHOLESALE SUBTOTAL	50,376	117,336	124,100	132,999	155,038	175,282
PCWA TOTAL WATER USE	151,989	221,726	231,171	244,460	273,988	300,416

1. MFP supply to be delivered to an expanded place of use downstream in dry years, see Surface Water Management.
2. This demand will only be in dry years to provide environmental flows to the lower American River, 47,000 AFY will be the maximum amount.

Surface Water and Groundwater Management

PCWA was a signatory to the 2000 Water Forum Agreement. The Water Forum Agreement has two coequal objectives: (1) provide a reliable and safe water supply for the region's economic and planned development; and (2) preserve the fish, wildlife, recreational, and aesthetic values of the lower American River.

The Water Forum Agreement's supportive Environmental Impact Report fully analyzed buildout demand in PCWA's place of use and identified purveyor specific agreements for PCWA's wholesale customers (City of Roseville, SJWD and SSWD) which placed restrictions on the use of North Fork American River water depending on unimpaired inflow into Folsom Reservoir. In addition, PCWA voluntarily agreed to release up to 47,000 AF (27,000 AF for PCWA and 20,000 AFY for the City of Roseville) of additional water⁵⁶ (Water Forum environmental releases) in drier years through reoperation of MFP reservoirs. When projected March through November Unimpaired Inflow to Folsom Reservoir (M-N UIFR) is between 950,000 and 400,000 AF, the amount of these environmental releases is linearly interpolated between 0 and 47,000 AF. When projected M-N UIFR is less than 400,000 AF, it is considered a "conference year" where Water Forum participants meet to determine how best to manage the available water, recognizing that there may not be sufficient water to meet both deliveries and environmental release requirements specified in the agreement. Under this program of environmental releases, PCWA has released more than 200,000 AF of water to the lower American River in dry years.

When projected M-N UIFR is greater than 1.6 million AF, there is a provision for PCWA to sell surface water to groundwater pumpers in Sacramento County as part of a conjunctive use program to alleviate groundwater overdraft. PCWA's place of use was expanded into Sacramento County as shown on Figure

⁵⁶ The Water Forum environmental releases represent additional water (up to 47,000 AF) in drier years that would not otherwise be released from storage for power generation or for consumptive delivery purposes within western Placer County and northern Sacramento County were it not for the Water Forum Agreement requirements.

2 to provide for this program. The primary purchaser has been SSWD, who has recharged more than 200,000 AF of PCWA water in the North American Subbasin. This program could be expanded to other water purveyors within the current place of use.

The Water Forum environmental releases were intended to offset effects of higher diversion of water from the ARPS (PCWA) and Folsom Dam (City of Roseville) above the historical delivery baseline used in the Water Forum Agreement⁵⁷. The Water Forum Agreement evaluated the diversion of 35,500 AFY of water from the ARPS with recognition that PCWA would pursue an additional diversion of 35,000 AFY. Currently it is expected that the ARPS diversions will increase to 70,500 AFY in the future pending additional environmental analysis.⁵⁸ This, combined with its PG&E and CVP contract water, is estimated to meet PCWA's buildout demands. The 35,000 AFY of CVP water is currently being pursued at the Sacramento River (RiverArc Project) pursuant to 2000 Water Forum Agreement.

The following sections provide information on PCWA's current and projected American River diversions and how PCWA intends to manage surface waters in support of Water Forum objectives in drier, driest, and critically low conditions.

MFP-Related Surface Water Management

PCWA's Federal Energy Regulatory Commission (FERC) license, which was issued in 2020 and has a 40-year term, has numerous requirements that were collaboratively developed to enhance environmental conditions in the MFP area. These conditions include higher instream flow and reservoir storage requirements, spring pulse flows, and reservoir spill ramp down flows. These additional flows have reduced hydropower generation nominally 5%, which will be partially mitigated by the addition of raising Hell Hole Dam for additional wet year storage. Additional measures include large woody material management, trout spawning habitat improvements, and sediment augmentation, among others. All the FERC requirements were developed in anticipation of continued implementation of the Water Forum Agreement.

Current American River Diversions

Table 4 summarizes PCWA's American River diversions for the previous 10-year period (2014–2023). PCWA's current level of American River diversions (2023) was 26,200 AFY.

⁵⁷ In the Water Forum Agreement, PCWA's baseline was 8,500 AFY and the assumption was that at full buildout PCWA would divert 35,500 AFY at the ARPS (difference of 27,000 AFY); the City of Roseville baseline was 19,800 AFY and the assumption was that at full buildout Roseville would divert 39,800 AFY at Folsom Dam in drier years (difference of 20,000 AFY). The total additional water above baseline for PCWA and City of Roseville is up to 47,000 AFY.

⁵⁸ In the Water Forum Agreement, PCWA's baseline was 8,500 AFY and the assumption was that at full buildout PCWA would divert 35,500 AFY at the ARPS (difference of 27,000 AFY); the City of Roseville baseline was 19,800 AFY and the assumption was that at full buildout Roseville would divert 39,800 AFY at Folsom Dam in drier years (difference of 20,000 AFY). The total additional water above baseline for PCWA and City of Roseville is up to 47,000 AFY.

Table 4. PCWA's American River Diversions (2014–2023), AFY

Year	American River Pump Station	City of Roseville ¹	San Juan Water District ¹	Sacramento Suburban Water District ¹	Central Valley Project ²	Total
2014	16,039	12,164	8,727	0	0	36,930
2015	24,028	18,296	253	0	0	42,577
2016	4,394	1,116	8,884	11,274	0	25,668
2017	3,459	0	9,028	12,145	0	24,632
2018	4,466	0	9,258	12,002	0	25,726
2019	4,457	0	8,274	12,382	0	25,113
2020	10,947	7,146	9,663	661	0	28,417
2021	35,7713	14,267	8,775	0	0	58,813
2022	12,831	27,713	9,570	0	0	50,114
2023	13,088	2,363	0	10,749	0	26,200
Average	12,948	8,307	7,243	5,921	0	34,419

1. MFP water that is reddiverted through the municipal intake at Folsom Dam, which is authorized under existing Warren Act contracts held by PCWA's current wholesale customers.
2. PCWA's point of diversion for CVP water is Folsom Dam, but its contract also includes potential for other diversions, including the Sacramento River, if the points of diversion are agreed to by the Contracting Officer.
3. Exceeded 35,000 AF of pumping due to PG&E canal outages and reduced water supply allocation.

Future Projected American River Diversions

Table 5 summarizes PCWA's projected American River diversions at buildout when the M-N UIFR is above 950,000 AFY. PCWA's projected American River diversions at buildout are 155,000 AFY; however, this amount would be 120,000 AFY if the RiverArc Project is successful.

See the section above describing the contextual relationship of PCWA's American River water rights and their CVP contract for an explanation of the 120,000 AFY limitation. The total of 155,000 AFY combined with PCWA's water delivered by PG&E from the Drum-Spaulling system is sufficient to meet buildout demands. In addition to these diversions, PCWA plans in dry-years to divert up to 47,000 AFY of its American River water rights downstream of the confluence with the Sacramento River. This water is associated with continued environmental flows described herein. These flows are currently conducted under one-year water transfers through the State Water Board, however, PCWA is pursuing expansion of its place of use to facilitate these downstream diversions. PCWA's intent to expand its American River water rights place of use is further stated under the "Project List" and "Caveats and Assurances" of this Purveyor Specific Agreement.

Table 5. PCWA's Projected American River Diversions (Buildout), AFY

Supply	Diversion Point	Amount
Water Rights Permits 13856 and 13858 (consumptive)	American River Pump Station, Folsom Dam Municipal Intake	120,000
Central Valley Project*	Folsom Dam, or other diversion point agreed to by the Contracting Officer	35,000
TOTAL		155,000

*Currently being pursued at the Sacramento River (RiverArc Project) pursuant to 2000 Water Forum Agreement.

Drier Conditions Management

Condition: MN-UIFR is between 950,000 and 400,000 AF.

During drier years, PCWA will divert up to 155,000 AFY from the American River and will replace up to 47,000 AFY (27,000 AFY for PCWA and 20,000 AFY for City of Roseville) of water through reoperation of MFP reservoirs (environmental releases). The environmental releases are intended to offset effects of higher diversion of PCWA's MFP water from the ARPS (PCWA) and Folsom Reservoir (City of Roseville) above the historical delivery baseline used in the current Water Forum Agreement (8,500 AFY for PCWA and 19,800 AFY for City of Roseville).

This 47,000 AFY is the environmental release at full (buildout) diversion of PCWA's American River water rights. The amount of these environmental releases would be interpolated between 0 and 47,000 AFY based upon M-N UIFR and the combined PCWA and Roseville diversion rate above baseline in any given year. Although the environmental releases could be interpolated to be less than 10,000 AFY in a specific year, PCWA will typically release a minimum of 10,000 AFY; this is a change from the 2000 Water Forum Agreement.⁵⁹ **Figure 3** presents a chart of the calculation of these releases relative to M-N UIFR at full diversion rates above baseline for both PCWA and Roseville; note the minimum of 10,000 AF commencing at M-N UIFR of 950,000 AF. A more comprehensive look-up table at variable PCWA and Roseville combined diversion rates above baseline is provided in **Attachment 1** to this Purveyor Specific Agreement.

⁵⁹ Released as part of a long-term water delivery contract with a downstream buyer.

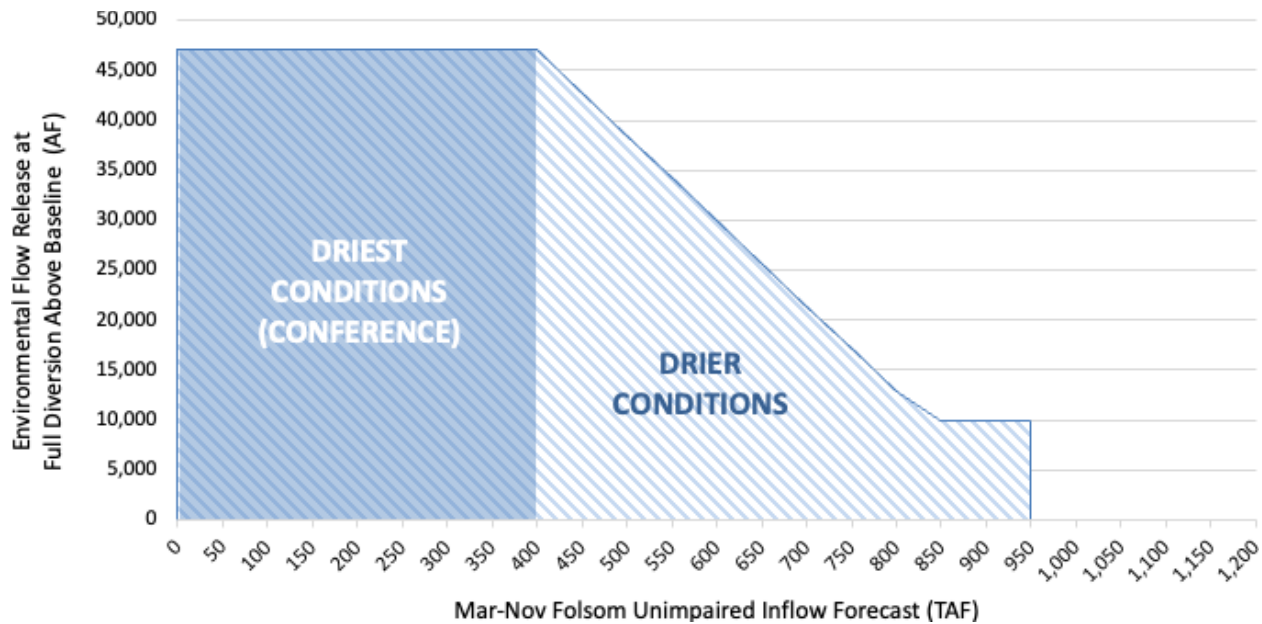


Figure 3. Proposed PCWA Environmental Flow Releases⁶⁰

The environmental releases from PCWA reservoirs represent water (up to 47,000 AFY) that would not otherwise be released in drier years were it not for this commitment. PCWA will make the environmental releases contingent upon the following conditions:

1. Continued cooperation of Reclamation in storage and timing of releases from Folsom Reservoir consistent with PCWA's recently executed Warren Act Contract.
2. PCWA's ability to transfer/sell the released water for use below the lower American River on terms acceptable to PCWA. To facilitate this provision, PCWA is pursuing an expanded place of use of its American River Water Rights to include water purveyors that currently purchase these releases through single year transfers.
3. PCWA's determination that it has sufficient water in its reservoirs to make the additional releases to mitigate conditions in dry years without jeopardizing the supply for PCWA's customers or commitments under PCWA's FERC license.

Details related to PCWA's proposal for these environmental releases which support the Water Forum objectives are provided below.

Long-Term Water Delivery Contract

To provide certainty that the environmental releases into the lower American River occur in the future, PCWA executed a Memorandum of Understanding (MOU) with East Bay Municipal Utility District (EBMUD) in August 2013 regarding the long-term purchase of the environmental releases. Under the MOU, PCWA would release 10,000 to 47,000 AFY of environmental releases from the MFP into Folsom Reservoir for rediversion at the Freeport Regional Water Authority (FRWA) Intake (Freeport Intake) by EBMUD in years when the projected M-N UIFR is less than 950,000 AFY. The releases would provide

⁶⁰ Environmental releases in conference years are subject to availability as described.

environmental benefits to the lower American River consistent with the objectives of the Water Forum, as well as increase dry-year water supply reliability for EBMUD.

If EBMUD is unable to use the environmental releases, PCWA would develop a back-up buyer agreement with Reclamation for use of the water downstream of the confluence of the lower American River and Sacramento River. If neither EBMUD nor Reclamation can put to beneficial use the drier year environmental releases, then PCWA would deliver the water to another willing buyer downstream.

Environmental releases may be scheduled and coordinated with the Water Forum and Reclamation. This coordination would be intended to enhance cold-water pool conditions in Folsom Reservoir, thus optimizing the opportunity for maintaining cooler temperatures in the lower American River. This option is subject to terms of PCWA's recently executed Warren Act Contract with Reclamation for storage of water in Folsom Reservoir longer than 30 days.

Operations

Specific operations that PCWA is proposing in support of the Water Forum objectives include:

- Temporary storage (greater than 30 days, but less than a year) of environmental releases and/or timing of deliveries to wholesale customers via Folsom Reservoir to enhance cold-water pool and maintain/enhance temperature conditions in the lower American River; subject to Reclamation and regulatory approval.
- Rediversion of environmental releases downstream of the lower American River and Sacramento River confluence for consumptive use in PCWA's proposed expanded place of use for this water at either the Freeport Intake, or alternatively at other CVP facilities by Reclamation, as appropriate and as authorities allow, or to other downstream buyers.
- Collaboration with the Water Forum and Reclamation to optimize the temperature benefits of environmental releases.
- Forego PCWA's CVP deliveries from Folsom Reservoir on the American River, and instead take delivery from the Sacramento River at RiverArc.

Driest Conditions Management

Condition: MN-UIFR is less than 400,000 AF.

It is recognized that in years when the projected M-N UIFR is less than 400,000 AFY there may not be sufficient water available to provide the purveyors within the Water Forum with the driest years quantities specified in their agreements and provide the expected driest years flows to the mouth of the American River. In those years, PCWA will participate in a conference with other stakeholders on how the available water should be managed.

In the driest of drier years, years when M-N UIFR is less than 400,000 AFY, PCWA would implement actions to preserve MFP storage. PCWA would institute reduced deliveries (water cutbacks), as needed. In those years, PCWA's irrigation water deliveries may be reduced by up to 50 percent and PCWA's

treated water deliveries may be reduced by up to 20 percent.⁶¹ In addition, PCWA may use groundwater to reduce shortages in those years.

During Driest Conditions, delivery of environmental flow releases up to 47,000 AF pursuant to “Drier Conditions Management” will be subject to available supplies, as detailed under that section.

Critically Low Storage Conditions

Condition: Potential operations in spring and summer when Folsom Reservoir storage is forecasted to reach 110,000 AF at some point in the next 12-months.

During the spring and summer, if Folsom Reservoir storage is forecasted to reach 110,000 AF at some point in the year, PCWA would conference with stakeholders, including Reclamation, on how available water should be managed.

Condition: Potential operations in summer and fall when Folsom Reservoir storage is below 110,000 AF.

If Folsom Reservoir storage is projected to be below 110,000 AF, PCWA would conference with stakeholders, including Reclamation, on how available water should be managed. PCWA would coordinate with both the City of Roseville and SJWD pursuant to their respective water supply contracts. Several projects are being pursued to mitigate the frequency of this occurring and/or to mitigate the impact to the co-equal objectives if this does occur. These projects include: the RiverArc Project, the Sacramento Regional Water Bank, the PCWA-Roseville Cooperative Pipeline, and conservation programs.

Compliance with Making Conservation a California Way of Life

No later than January 1, 2025, and by January 1 every year thereafter, each urban retail water supplier shall calculate its urban water use objective and beginning January 1, 2027, annually demonstrate compliance with its objective.

The calculation shall be based on the supplier’s water use conditions for the previous state fiscal year.

The objective is composed of the sum of the following:

1. A budget for indoor residential water use
2. A budget for outdoor residential water use
3. A budget for commercial, industrial, and institutional landscape with dedicated irrigation meters or equivalent technology
4. A budget for real losses
5. Budgets for variances and temporary provisions

⁶¹ PCWA’s existing water conservation efforts support local water supply reliability goals and are consistent with California’s 20x2020 Program and Making Conservation a California Way of Life.

Based on initial calculations, the State Water Board projects PCWA to have 0% reductions required in 2025, 0% reductions required in 2030, less than 5% reductions required in 2035, and 5-10% reductions required in 2040.

PCWA's Approach to Compliance

PCWA is a leader in water efficiency programs in the region. PCWA has a robust water efficiency program and will expand on this program as described.

PCWA will continue participation in the Regional Water Efficiency Program, especially for regional compliance with the CII best management practices and regional non-functional turf outreach, along with regional messaging. PCWA will also participate in the statewide conservation partnership (CalWEP).

Education and Outreach

PCWA will maintain its Environmental Protection Agency (EPA) WaterSense award-winning education and outreach program as follows:

- Water efficiency messaging in newsletters, e-blasts, WaterWiseWednesday social media posts, paid ads on Facebook and Google
- Partnerships with local Master Gardener Programs and California Native Plant Society
- Local demonstration gardens to showcase low water use plants and local native plants

Enhanced Rebates

Prior to final adoption of the regulation, PCWA enhanced its rebate program by adding a leak rebate to assist customers in finding and fixing indoor and outdoor leaks. In one year, it's become the Agency's most utilized rebate. Commercial rebates were added, and rebate amounts were increased for turf replacement, irrigation upgrades, and smart controllers. The enhanced turf replacement can be marketed to assist with replacement of non-functional turf.

Advanced Metering Infrastructure (AMI) Data

As the Agency replaces meters and meter reading technology is replaced with AMI, customers will have real-time access to their water use and could set up leak alerts through a customer portal.

Water usage data will be evaluated and a program developed to notify customers of potential leaks, breaks or overuse.

Customers Services

Water Wise House Calls and Water Wise Business Calls will be offered to help customers find ways to use less water.

High-use letters and leak-verify work orders are generated every month after the billing department evaluates consumption, prior to sending a bill.

Commercial, Industrial, and Institutional (CII) Accounts

Landscapes of CII mixed use meters will be measured to determine which are ½ acre or greater. New CII requirements will be implemented as follows:

- Classify CII customers into 22 water use categories, defined by Energy STAR and the State Water Board, and maintain the list annually.

- Design and implement best management practices for top CII users.
- Design and implement turf replacement programs.

Caveats and Assurances

1. This agreement is entered into with recognition that PCWA has agreed with Reclamation to limit consumptive use of its American River water rights to 120,000 AFY – see section on “Contextual Relationship of American River Water Rights and Central Valley Project (CVP) Contract.” PCWA has a long-term CVP contract with Reclamation for 35,000 AFY. This is a total of 155,000 AFY from the American River. This amount combined with PCWA’s water delivered by PG&E from the Drum-Spaulding system (Yuba and Bear Rivers) is sufficient to meet buildout demands. If for any reason these supplies are significantly reduced in amount or duration, it will be considered a changed condition, and signatories will work in good faith to renegotiate relevant portions of this Purveyor Specific Agreement.
2. During dry years, PCWA proposes to release up to 47,000 AFY of water from its upstream reservoirs, pursuant to **Attachment 1**, for the benefit of the lower American River environment. This proposal is discussed in detail under “Drier Conditions Management” and included in PCWA’s American River Water Rights Extension currently being processed with the State Water Board. In the 2007 petition for this extension, PCWA’s commitment to the Water Forum and stewardship of its water supply was noted by certain members of the Environmental Caucus in the letter included as **Attachment 2**. Signatories recognize the continuation of PCWA’s American River Water Rights is integral to achieving the proposed environmental releases. Accordingly, they are willing to support the proposal and highlight the environmental benefits before the State Water Board, including a re-petition for this extension, if necessary, and an expanded place of use to include EBMUD. EBMUD is not a guaranteed buyer, even in dry years, thus it would be advantageous to have a downstream place of use adequate to ensure these environmental releases. For this reason, PCWA is also seeking to add other areas of the CVP, including refuges. PCWA will keep the parties apprised of the development of this expansion with the State Water Board and the parties will communicate in good faith their concerns, support, or objection to this expansion as it is developed.
3. PCWA and other signatories to this agreement have proposed to divert water from the Sacramento River rather than diverting from the American River. This would allow water to continue to flow down the lower American River. Signatories conditionally endorse this proposal, branded as “RiverArc,” subject to environmental analysis of the impact to the Sacramento River. This proposal will require certain changes to PCWA’s CVP contract, including a change in point of diversion from Folsom Reservoir to the Sacramento River and expanding PCWA’s CVP place of use to include all western Placer County. Signatories will endorse these changes to PCWA’s CVP subject to continued endorsement of the RiverArc Project. In addition to its CVP contract, PCWA would like to explore an exchange provision to divert its American River water rights at the RiverArc Project.

Project List and Future Water Supply Reliability Efforts

The following is a list of PCWA planned projects related to the co-equal objectives of the Water Forum. These include both structural and non-structural projects.

1. American River Water Rights Extension Project, which includes the following supporting projects:
 - a. Expanded American River water rights place of use to include the CVP place of use for dry-year supply to EBMUD and other back-up buyers downstream of the confluence with the Sacramento River.
 - b. Warren Act Contract with Reclamation to provide storage of environmental releases longer than 30-days in Folsom Reservoir and conveyance of water delivered to EBMUD through Folsom South Canal via Freeport Intake (acquired at time of writing this agreement).
 - c. Enhanced coldwater pool development in Folsom Reservoir by extended storage of environmental releases in Folsom Reservoir, coordinated with the Water Forum and Reclamation.
2. Ecological Forest Health – PCWA is partnering with a diverse group of stakeholders to implement the French Meadows Forest Restoration Project, which is a 28,800-acre collaborative forest health project intended to reduce wildfire risk in the upper Middle Fork American River watershed. In an effort to build upon the momentum of the French Meadows Project, PCWA, and several partners, has recently embarked on the Long Canyon Watershed Restoration Project. The Long Canyon Project will use proven forest health and fuels reduction treatments on 16,500 acres in an area near other public and private forest health projects that together provide landscape-level wildfire resilience in upper American River watershed.
3. RiverArc Project – PCWA is a partner and the administrator of the RiverArc Project. This project is a proposed regional treated water supply that will construct a new treatment plant and pipelines using an existing diversion on the Sacramento River. This project is intended to shift regional reliance on water supply from the American River to the Sacramento River. RiverArc is a project that was originated in the Water Forum, with current partners including Sacramento County Water Agency, the City of Sacramento, the City of Roseville, and PCWA. Other regional water suppliers may join the project in the future.
4. Conservation Programs
 - a. Treated Water Conservation – PCWA was the first water purveyor in the Water Forum to comply with the best management practices of the Urban Water Conservation Council and currently has an EPA WaterSense award-winning program. PCWA complied with its Senate Bill 7x-7 target of 20% conservation and is preparing for compliance with the regulation resulting from the Conservation as a California Way of Life program.
 - b. Untreated Water Conservation – Nominally 50% of PCWA's water use is used for agriculture in its service area. This agriculture is served by an extensive canal system of 170 miles that includes flow control devices, elevated flumes, and "spills" that return water to the watershed at the end of each canal. Though most of this water supply comes from PCWA's Yuba River source, water conservation is taken very

seriously. PCWA has installed lining to prevent seepage and flow control automation to minimizing spilling, thus reducing water loss in the canal system.

- c. Looking at the last decade, PCWA is serving a population of 30% more people with 25% less water supply as a result of these conservation programs. The source of this comparison is PCWA's 2023 year-end report, comparing 2013 to 2023.
- 5. County-Wide Masterplan – PCWA implemented a County-Wide Masterplan to meet its statutory obligation to support sustainable resource management and water supply needs throughout Placer County. This plan is a process for supporting the development of projects and seeking funding to implement them, organized into eight elements as follows:
 - a. Unserved Areas
 - b. Water Infrastructure Reliability
 - c. Water Supply Reliability
 - d. Renewable Energy Development
 - e. Watershed Stewardship
 - f. Agriculture
 - g. Conservation and Water Use Efficiency
 - h. Public Education and Outreach

This masterplan is a “living” database of projects that are entered by stakeholders county-wide, thus creating a transparent process for implementation. Funding sources include state and federal grants and PCWA funding from water transfers and net revenues from hydropower sales. Projects include those within PCWA's service area and the service areas of other public water agencies throughout the Placer County.

- 6. Placer County Conservation Program (PCCP) – The PCCP will set aside natural lands as a mitigation in balance with proposed development and other activities in western Placer County. This program is being implemented by a Joint Powers Authority of member entities. The PCCP includes permitting and mitigation for Endangered Species Act (federal), Natural Community and Conservation Planning Act (state), and Clean Water Act (federal). It is the most comprehensive Habitat Conservation Program in the nation. Permit and mitigation fees go to purchase of set-aside properties within the program area.
 - a. Land Development – The demarcation of natural lands and proposed land development has been established in western Placer County under this program.
 - b. PCWA Canal System – PCWA's canal operations, including projects such as canal lining, have been permitted under the PCCP.
 - c. PCWA Infrastructure – Certain proposed PCWA treated water infrastructure, including the Ophir Water Treatment Plant and west Placer County transmission main have been permitted under the PCCP.

7. Groundwater:
 - a. Conjunctive use – In the 2000 Water Forum Agreement, PCWA committed to the sale of American River surface water to SSWD to help recover groundwater levels in the North American Subbasin (NASb). This provision was for “normal” and “wet” years, as defined by Folsom Reservoir Unimpaired Inflow, for the first ten years of the agreement, and only wet years thereafter. PCWA will continue in this commitment for any willing buyer in the Sacramento County portion of PCWA’s American River water rights place of use, subject to PCWA having adequate water for its service area, adequate storage in MFP reservoirs, and agreeable terms with the buyer.
 - b. PCWA could expand the geographic extent of selling American River surface water in wet years by expansion of its place of use beyond the current extent in north Sacramento County. This expansion could cover the entire NASb, or beyond that boundary if desired for expanded conjunctive use.
 - c. Prohibition on use for new development – The County of Placer has a General Plan policy prohibiting groundwater as a sole source of water supply for new development in western Placer County. This policy exists for two reasons: to protect groundwater levels of the NASb and to encourage vesting in the use of MFP supply that was bonded and paid for by the people of Placer County. Groundwater may be used as a backup source in drought years, as described in PCWA’s Urban Water Management Plan. This policy has resulted in stable groundwater levels in Placer County, evidenced by levels relative to Sacramento and Sutter counties. PCWA supports this policy by working with developers in the planning and investment towards water supply infrastructure.
8. Wholesale Water Supply Contracts – PCWA provides both Yuba River and American River water to wholesale customers in its Zone 6 service area of western Placer County and within the American River water rights place of use. Wholesale service is provided pursuant to individually negotiated water supply contracts with the following:
 - a. City of Roseville, as amended on May 18, 2023, 30,000 to 44,000 AFY via Folsom Reservoir.
 - b. SJWD, as amended on April 17, 2025, 10,000 AFY via Folsom Reservoir.
 - c. SSWD, as amended on November 16, 2020, 8,000 AFY via Folsom Reservoir.
 - d. EBMUD, as amended on July 30, 2018, 47,000 AFY via Sacramento River at Freeport.
 - e. City of Lincoln, December 10, 2012, 35,986 AFY via treated water deliveries⁸.
 - f. California American Water, July 6, 2025, 10,825 AFY via treated water deliveries⁸.
 - g. Small water systems throughout PCWA’s Zone 6 service area, 2,971 AFY via untreated and treated water deliveries.⁶²

⁶² These wholesale demands are the amounts provided by PCWA’s 2020 Urban Water Management Plan.

Attachment 1: Lookup Table of Environmental Flow Releases (AF)

		Folsom Mar-Nov Unimpaired Flow Projection (TAF)											
		400	450	500	550	600	650	700	750	800	850	900	950
PCWA and Roseville Combined Diversion above 1995 Baseline (AF)	0	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
	1,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
	2,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
	3,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
	4,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
	5,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
	6,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
	7,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
	8,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
	9,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
	11,000	11,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
	12,000	12,000	10,909	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
	13,000	13,000	11,818	10,636	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
	14,000	14,000	12,727	11,455	10,182	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
	15,000	15,000	13,636	12,273	10,909	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
	16,000	16,000	14,545	13,091	11,636	10,182	10,000	10,000	10,000	10,000	10,000	10,000	10,000
	17,000	17,000	15,455	13,909	12,364	10,818	10,000	10,000	10,000	10,000	10,000	10,000	10,000
	18,000	18,000	16,364	14,727	13,091	11,455	10,000	10,000	10,000	10,000	10,000	10,000	10,000
	19,000	19,000	17,273	15,545	13,818	12,091	10,364	10,000	10,000	10,000	10,000	10,000	10,000
	20,000	20,000	18,182	16,364	14,545	12,727	10,909	10,000	10,000	10,000	10,000	10,000	10,000
	21,000	21,000	19,091	17,182	15,273	13,364	11,455	10,000	10,000	10,000	10,000	10,000	10,000
	22,000	22,000	20,000	18,000	16,000	14,000	12,000	10,000	10,000	10,000	10,000	10,000	10,000
	23,000	23,000	20,909	18,818	16,727	14,636	12,545	10,455	10,000	10,000	10,000	10,000	10,000
	24,000	24,000	21,818	19,636	17,455	15,273	13,091	10,909	10,000	10,000	10,000	10,000	10,000
	25,000	25,000	22,727	20,455	18,182	15,909	13,636	11,364	10,000	10,000	10,000	10,000	10,000
	26,000	26,000	23,636	21,273	18,909	16,545	14,182	11,818	10,000	10,000	10,000	10,000	10,000
	27,000	27,000	24,545	22,091	19,636	17,182	14,727	12,273	10,000	10,000	10,000	10,000	10,000
	28,000	28,000	25,455	22,909	20,364	17,818	15,273	12,727	10,182	10,000	10,000	10,000	10,000
	29,000	29,000	26,364	23,727	21,091	18,455	15,818	13,182	10,545	10,000	10,000	10,000	10,000
	30,000	30,000	27,273	24,545	21,818	19,091	16,364	13,636	10,909	10,000	10,000	10,000	10,000
	31,000	31,000	28,182	25,364	22,545	19,727	16,909	14,091	11,273	10,000	10,000	10,000	10,000
	32,000	32,000	29,091	26,182	23,273	20,364	17,455	14,545	11,636	10,000	10,000	10,000	10,000
	33,000	33,000	30,000	27,000	24,000	21,000	18,000	15,000	12,000	10,000	10,000	10,000	10,000
	34,000	34,000	30,909	27,818	24,727	21,636	18,545	15,455	12,364	10,000	10,000	10,000	10,000
	35,000	35,000	31,818	28,636	25,455	22,273	19,091	15,909	12,727	10,000	10,000	10,000	10,000
	36,000	36,000	32,727	29,455	26,182	22,909	19,636	16,364	13,091	10,000	10,000	10,000	10,000
	37,000	37,000	33,636	30,273	26,909	23,545	20,182	16,818	13,455	10,091	10,000	10,000	10,000
	38,000	38,000	34,545	31,091	27,636	24,182	20,727	17,273	13,818	10,364	10,000	10,000	10,000
	39,000	39,000	35,455	31,909	28,364	24,818	21,273	17,727	14,182	10,636	10,000	10,000	10,000
	40,000	40,000	36,364	32,727	29,091	25,455	21,818	18,182	14,545	10,909	10,000	10,000	10,000
	41,000	41,000	37,273	33,545	29,818	26,091	22,364	18,636	14,909	11,182	10,000	10,000	10,000
	42,000	42,000	38,182	34,364	30,545	26,727	22,909	19,091	15,273	11,455	10,000	10,000	10,000
	43,000	43,000	39,091	35,182	31,273	27,364	23,455	19,545	15,636	11,727	10,000	10,000	10,000
	44,000	44,000	40,000	36,000	32,000	28,000	24,000	20,000	16,000	12,000	10,000	10,000	10,000
	45,000	45,000	40,909	36,818	32,727	28,636	24,545	20,455	16,364	12,273	10,000	10,000	10,000
	46,000	46,000	41,818	37,636	33,455	29,273	25,091	20,909	16,727	12,545	10,000	10,000	10,000
	47,000	47,000	42,727	38,455	34,182	29,909	25,636	21,364	17,091	12,818	10,000	10,000	10,000

Attachment 2: Letter of Support for Petition for Extension of Time with State Water Resources Control Board



December 21, 2007

Ms. Victoria Whitney
Chief, Division of Water Rights
SWRCB
P.O. Box 2000
Sacramento, CA 95812

**Re: Placer County Water Agency Petition for Extension of Time to Complete Use;
Water Right Permits 13856 and 13858 for Applications 18085 and 18087**

Dear Ms. Whitney,

We understand that Placer County Water Agency (PCWA) has submitted a petition to the SWRCB for an Extension of Time to the year 2043 to complete use for consumptive Water Right Permits 13856 and 13858. In considering the petition from PCWA, we ask that the SWRCB take into account the water agency's demonstrated commitment to urban water conservation.

The Mother Lode Chapter of the Sierra Club and Friends of the River are signatories to the Water Forum Agreement. Convened in 1993, the Water Forum was able to reach consensus among diverse stakeholder interests in providing a reliable water supply for planned growth, while preserving the fishery, wildlife, recreational, and aesthetic values of the Lower American River.

A key component of the Water Forum Agreement was the Water Conservation Element. Water purveyors agreed to implement a series of water conservation programs or BMPs. Purveyors were provided four years in which to ramp up the BMPs so that they would be fully implemented by 2004.

In December 2005 the Water Forum released its Year-Four Water Conservation Report. It revealed that fourteen of the fifteen purveyors failed to fully implement their water conservation programs. The only Sacramento region water purveyor to fully implement all of its agreed upon water conservation BMPs was Placer County Water Agency.

Letter continues
on next page.

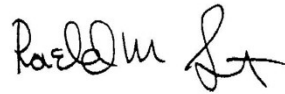
Attachment 2: Letter of Support for Petition for Extension of Time with State Water Resources Control Board

PCWA's commitment to water conservation has been one contributing factor in the agency not yet fully utilizing its water rights. We believe the SWRCB should recognize and encourage PCWA's superior stewardship of its water supply in the Board's decision regarding the request for Extension of Time.

Sincerely,



Terry Davis
Conservation Program Coordinator
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WATER FORUM AGREEMENT 2050

Sacramento County Water Agency Purveyor Specific Agreement

Updated: January 8, 2026

Purveyor Background

Sacramento County Water Agency (SCWA) encompasses seven service areas and provides retail water service to 70,000 residential and commercial customers in Sacramento County. SCWA also wholesales water to Elk Grove Water District.

SCWA's seven service areas are served with a unique set of water supplies including surface water, groundwater, and non-potable (recycled) water. **Figure 1** presents a map of each of SCWA's service areas.

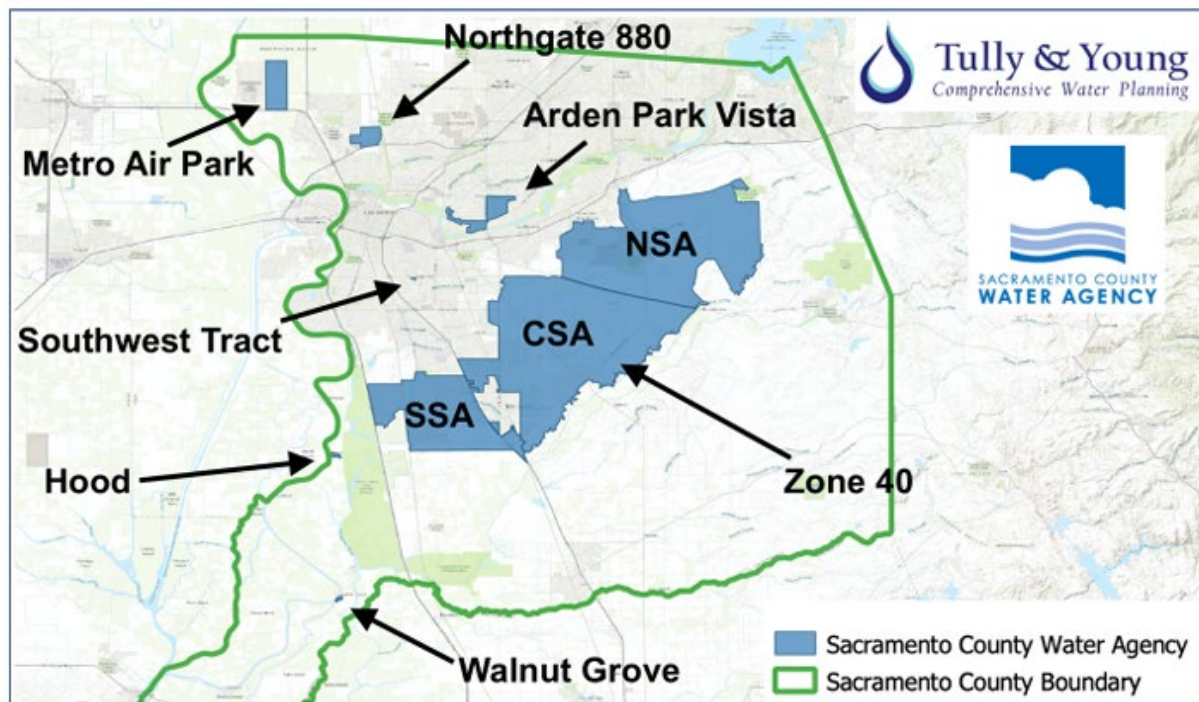


Figure 1. SCWA Service Areas

Surface Water and Groundwater Management

Current demands in the SCWA service are close to 40 thousand acre-feet (TAF) per year and are expected to grow to just below 80 TAF/year by 2045 (though the updated regulations on water use efficiency will need to be considered). The most recent estimates for buildout predict a total demand of 102,400 acre-feet per year (AFY) in the year 2052. **Table 1** summarizes SCWA annual demands.

Table 1. SCWA Demands (Nearest TAF Annually)

	Current	2045	2052
Demand	40	80	102

The highest surface water availability on a yearly basis is calculated in the 2016 Water System Infrastructure Plan (WSIP) at 89,000 AFY with the lowest being 32,100 AFY. The long-term annual average is 71,858 AFY. Any demand not made up by surface water is first made up with recycled water (up to 3,300 AFY at buildout) and finally groundwater. **Table 2** is extracted from Table 4-3, Zone 40 Water Supply Portfolio, in the 2016 WSIP.

Table 2. Surface Water Availability (AFY)

Wet/Average Year	Drier Year	Driest year	Long-term average
89,300	43,350	32,100	71,858

Below is a list of the SCWA service areas outside of Zone 40 and a general description of current supplies. A summary is provided as **Table 3**.

- Metro Air Park: Water supply delivered from the City of Sacramento to meet current demands of approximately 125 acre-feet and 2045 demands of approximately 5,715 acre-feet.
 - City of Sacramento Wholesale/Wheeling Agreement - Metro Air Park (1.1 TAF)
- Northgate 880: Water supply is derived from SCWA's groundwater supplies to meet current demands of approximately 1,345 acre-feet and 2045 demands of approximately 1,365 acre-feet.
- Arden Park Vista: Water supply is derived from SCWA's groundwater supplies to meet current demands of approximately 3,560 acre-feet and 2045 demands of 3,217 acre-feet.
- Southwest Tract: Water supply is derived from a water supply contract with California American Water to meet current demands of approximately 30 acre-feet and 2045 demands of approximately 24 acre-feet.
 - Contract with California American Water is for 30 acre-feet per year
- Hood Water Maintenance District: The Hood Water Maintenance District service area water supply is entirely derived from SCWA's groundwater supplies to meet current demands of approximately 30 acre-feet and 2045 demands projected to be 31 acre-feet.
- East Walnut Grove: The East Walnut Grove service area water supply is entirely derived from SCWA's groundwater supplies to meet current demands of approximately 60 acre-feet and projected 2045 demands of 56 acre-feet.

Table 3. Summary of Service Area Descriptions

Service Area	Demand (af/yr)		Supplies
	Current	2045	
Metro Air Park	125	5,715	City of Sacramento Contract
Northgate 880	1,345	1,365	Groundwater
Arden Park Vista	3,560	3,217	Groundwater
Southwest Tract	30	24	Cal Am Contract
Hood Water Maintenance District	30	31	Groundwater
East Walnut Grove	60	56	Groundwater

Self-supplied groundwater is the sole source of water served in all areas where a contract or entitlement is unavailable. Most of these areas are legacy systems that were taken over by SCWA and are at or near buildout.

Zone 40 Demand and Supply

Below is a general description of Zone 40 and its supplies.

Zone 40 has multiple sources of surface water and remediated groundwater taken through the Freeport Regional Water Authority (FRWA) intake and pipeline and treated at Vineyard Surface Water Treatment Plant (VSWTP), recycled water, and groundwater to meet customer demands (**Table 4**).

- Zone 40 potable water supplies consist of three water rights from the Sacramento River, two Central Valley Project contracts, a contract for remediated groundwater with Aerojet, a contract supply from North Delta Water Agency, and groundwater supplies to meet current demands of approximately 37,620 acre-feet and 2045 demands of 74,388 acre-feet.
- Zone 40 non-potable supplies consist of a contract for recycled water supplies from Sacramento Area Sewer District to meet current non-potable demands of approximately 962 acre-feet and 2045 demands of approximately 3,300 acre-feet.

Table 4. Zone 40 Demand (AFY)

Service Area	Current	2045
Zone 40	37,620	74,388

Surface Water and Groundwater taken as Surface Water Available in Zone 40 includes:

- Appropriative Water Right Permit 21209 (71 TAF)
- Central Valley Project, SMUD Contract (30 TAF)
- Central Valley Project, Fazio Contract (15 TAF)
- Aerojet Groundwater Extraction and Treatment (GET) Water—remediated Groundwater taken as Surface Water (8.9 TAF)
- License 1062 (805 AF) (Airport Water Right)
- License 4060 (101 AF) (Airport Water Right)
- North Delta Water Agency Contract (450 AF)
- Recycled Water (3.9 TAF)

- Southern California Water Company Water - Emergency Supply – (1.6 TAF)
- City of Sacramento American River Place of Use (Small Overlap Area – Volume Determined by Demands in Area)

It is evident that the SCWA service area with the largest demand, by far, is the Zone 40 area. The Zone 40 Water Supply Master Plan details operational policy for the area. Groundwater is the last supply source used with preference to surface and recycled water when feasible. SCWA is beginning the process to update the Zone 40 Water Supply Master Plan as of the writing of this Purvey Specific Agreement (PSA). Any Zone 40 Water Supply Master Plan will be available to the public for review. The Master Plan is available from SCWA.

Historical SCWA Contributions to the Co-Equal Objectives

Since the signing of the original Water Forum Agreement, SCWA has invested heavily in supporting the Water Forum co-equal objectives through investment in its conjunctive use system as described in the 2000 Water Forum Agreement PSA. Conjunctive use is practiced in the largest SCWA service area – Zone 40. The investment and continued partnership in the FRWA intake on the Sacramento River and accompanying VSWTP have been a costly undertaking both for current and future customers in Zone 40. The FRWA intake is located downstream of the American River confluence and, when opportunities arise, allows for American River water to be diverted after it has traveled the full distance of the Lower American River (LAR), thus allowing this water to be used for LAR corridor health.

Introduction of surface water into the Zone 40 area has directly benefited groundwater elevations in the South American Subbasin. **Figure 2** shows the 20 Year Groundwater Level Trends, the green dots indicating increasing groundwater elevations. The map clearly shows that there is a positive trend in groundwater levels in the SCWA service area since the startup of VSWTP and the FRWA intake. This is also in stark contrast to the trends in other parts of the State of California.

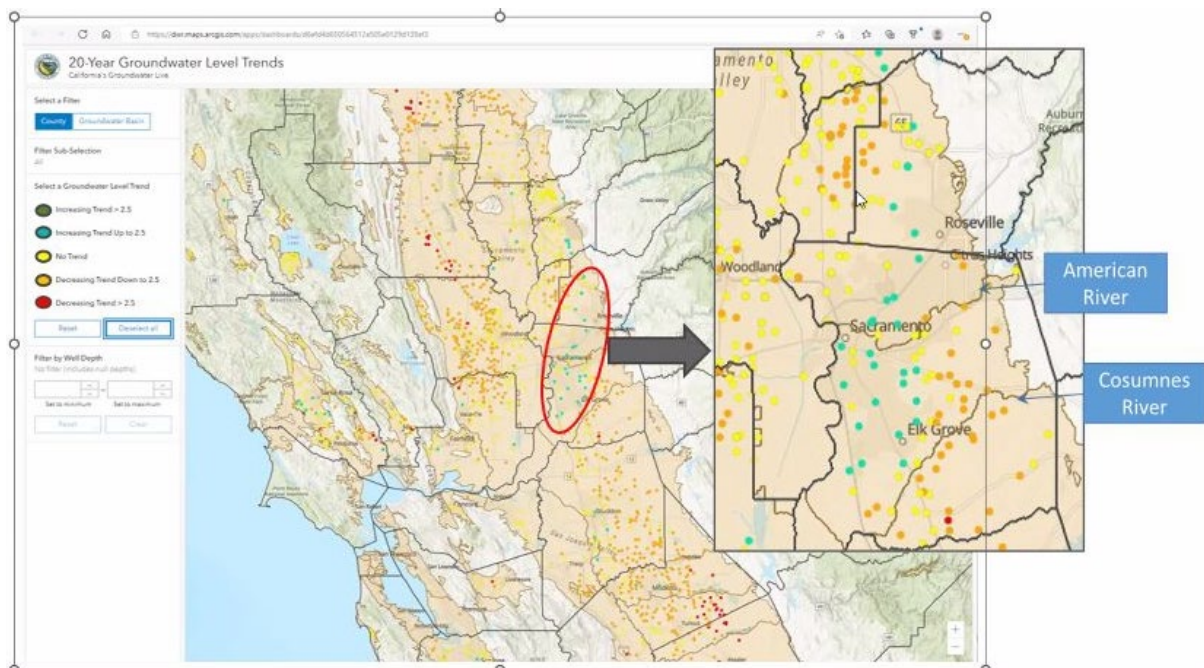


Figure 2. 20-Year Groundwater Level Trends

SCWA is proud to have met the commitments of its 2000 PSA. Along with the partnership of the caucuses in the Water Forum, the will of the SCWA Board, partnership with East Bay Municipal Utility District (EBMUD) through FRWA, investment by current customers, and investment by the development community ensured that there were resulting positive effects.

SCWA has developed a Water Shortage Contingency Plan which addresses the requirements in California Water Code Section 10632 of the Urban Water Management Planning Act. The Water Shortage Contingency Plan may be used by SCWA to address water shortages as they may arise. See the plan, located on SCWA's website, for an up-to-date list of Water Shortage Stages and Suggested Actions.

Along with SCWA specific investments, SCWA has also been a major financial contributor to the Water Forum Successor Effort and Habitat Management Effort since signing the 2000 Water Forum Agreement. There have been many projects in and around the LAR that benefited from this funding.

SCWA Surface Water Framework

SCWA's supply portfolio and location offers unique opportunities to support the Water Forum coequal objectives moving forward. This section reviews those opportunities and describes the proposed framework for commitments related to surface water diversions.

SCWA Opportunities in Water Forum 2050

Opportunities in Zone 40

The FRWA intake facility has a total capacity of 185 MGD while SCWA's capacity in the facility is 85 million-gallons-per-day (MGD) (equivalent to approximately 95 TAF/year). SCWA has a design treatment capacity of 50 MGD (permitted for 60 MGD at the very upper limit of production) at the VSWTP (equivalent to approximately 56 TAF/year and 67 TAF/year, respectively). Plans include expanding the VSWTP to 100 MGD capacity (112 TAF/year) but this investment is at least 10 years in the future. Additionally, SCWA has an agreement with the City of Sacramento for firm capacity of 11 MGD at the Franklin Intertie (12 TAF/year). **Table 5** presents a summary of these capacities.

Table 5. Zone 40 Major Surface Water Facilities Capacity

Facility	Capacity (MGD)	
	Current	Buildout
Freeport Diversion (FRWA) SCWA Share	85	85
Freeport Diversion (FRWA) Total Capacity	185	185
Vineyard WTP Capacity	50/60	100
Franklin Intertie (City of Sacramento)	11	11

In 2023, SCWA's maximum day surface water production was 31 MGD. 2023 was an unconstrained year and SCWA had full access to its surface water entitlements.

In dry times, SCWA faces surface water curtailments. In the summer of 2022, SCWA had no Central Valley Project water available and Term 91 was in effect, so the Permit 21209 water right was curtailed. This curtailment was based on statewide conditions, despite near average precipitation in the American River watershed. During this time, SCWA was only able to operate the VSWTP part time since the only water supplies available were the smaller, more senior water rights and Aerojet GET water. The vast majority of

the SCWA capacity in the FRWA intake and VSWTP plant was unused during this time. SCWA met the majority its demands with groundwater. If SCWA had access to surface water there would have been an opportunity to deliver surface water to customers rather than groundwater, which would have benefitted the groundwater basin. Additionally, since the FRWA intake is located downstream of the confluence of the LAR and the Sacramento River, any American River surface water deliveries would have travelled down the LAR providing benefit to the entirety of the LAR by improving flow conditions. The potential benefits for the LAR could be especially significant in years like 2021 when precipitation across the state (including the American River watershed) was exceptionally low through the summer months. Flows in the LAR in the summer of 2021 were very low, and river temperatures were dangerously warm due to the extended drought conditions. Additional LAR flows, in the form of cold water from upstream or Folsom storage, could have been beneficial if coordinated and timed based on the needs of the river.

Given the junior nature of the majority of SCWA's surface water entitlements there is capacity available at the FRWA intake and through the VSWTP that could be used to meet SCWA demands. There may be partnership opportunities that could take advantage of this situation to move both more and colder surface water through the LAR.

Any decision to take additional surface water in partnership with others in the region would have to include affordability as a parameter.

The opportunities for SCWA, in its Zone 40 service area, to contribute to both Water Forum co-equal objectives of water supply reliability and river corridor health, while adhering to the guiding principles for surface water diversions are stated below:

1. *Increased surface water diversions at the FRWA intake at times when additional flow could help the LAR or benefit the co-equal objectives.*
 - *Utilize partnership opportunities.*
 - *Support the City of Folsom as they explore a partnership which could add reliability to the regional water supply system as well as allow more flow in the LAR. SCWA commits to supporting the effort from a technical perspective as well as working on the affordability of the partnership.*
 - *Support Golden State Water Company with any future planning that could involve partnership and FRWA. SCWA will continue to work on upgraded intertie projects as well as other opportunities as they arise.*
 - *Continue partnership with the City of Sacramento. This partnership has been critical to Bay Delta processes. SCWA and the City of Sacramento have a formal agreement to work together to provide environmental surface water flows as a part of the Regional Water Authority American River Terms for Ecosystem Support and Infrastructure Assistance Needs (ARTESIAN) Project Agreement. SCWA commits to continuing to foster this partnership and working together to continue to have positive effects on the co-equal objectives. SCWA and the City of Sacramento have removed some barriers to partnership by working on affordability of wholesale supplies, trading of water, and encouraging surface*

water use above and beyond what would be required to provide environmental flows through groundwater substitution.

- *SCWA will continue its partnership with EBMUD. Both are a part of the FRWA Board. SCWA will continue to work with EBMUD on projects that support the coequal objectives such as supporting partnerships that EBMUD develops with others to move more water through the LAR at times those additional flows are a benefit.*
 - *SCWA will continue its partnership with California American Water, working to expand wholesale water delivery to the water company from SCWA's conjunctive use system.*
 - *SCWA will look to expand partnerships with upstream purveyors to establish projects that could benefit Water Forum co-equal objectives and make full use of the FRWA intake and the SCWA system.*
2. *Prioritize surface water diversions in wet conditions to allow groundwater recharge.*
- *Effectively this means taking surface water to the maximum extent possible when it is available.*
3. *As of 2025, SCWA is piloting an Aquifer Storage and Recovery (ASR) well located on the same parcel as the VSWTP. While SCWA can supply potable water sustainably to its customers today and through buildout, SCWA is looking at ASR opportunities to expand system storage in preparation for climate change impacts into the future.*

Opportunities Outside of Zone 40

Opportunities exist outside of Zone 40 in the groundwater-supplied service areas where a potential partner is close. For example, there could be the possibility of partnerships that would supply the Northgate 880 and Arden Park service areas with surface water. Entitlements that had a place of use to cover these areas would need to exist and interties would need to be built. Affordability would be a major concern.

Demand Management

SCWA currently lists Water Efficiency and Conservation requirements on its website. Some of these include the following:

- SCWA limits the outdoor water schedule of its customers' lawns and landscapes to certain days based upon street address.
- SCWA recommends water efficiency actions such as Stress Your Lawn, Save Your Trees; Check Soil Moisture; Water Plants Early; Transition to a Low-Water Garden; and the overarching Be Water Wise program.
- SCWA currently provides rebates such as Cash for Grass, High Efficiency Clothes Washers, High Efficiency Toilets.
- SCWA also asks customers to report water waste through the website and provides a discount on the customer's bill for low water usage.

Finally, SCWA maintains a Water Shortage Contingency Plan which details conservation actions to be taken when different stages of conservation are required.

Changes in regulations, such as those in the Making Conservation a California Way of Life regulation, have occurred and will continue to change during the life of this agreement. SCWA is legally bound to follow the regulations and SCWA commits to working to meet these requirements. The Making Conservation a California Way of Life regulation will likely require SCWA customers to limit the use of water per the regulation.

SCWA commits to thoroughly exploring the topic of demand management through the Master Plan update process. Part of the scope of work of the update will be to project demands moving forward, compare them to the regulatory requirements, and assess if additional work needs to be done to lower demands. SCWA's goal would be to develop and implement a cost-effective plan to meet its legal requirements while also providing for the livability of the community and keeping potable water as affordable as possible to the end users.

Framework Summary

This section summarizes the SCWA proposal for Water Forum 2050 commitments related to surface water diversions in terms of their contributions to the coequal objectives and proposed investments (projects).

Contributions to River Corridor Health

- Reduce direct surface water diversions on the LAR by taking water at FRWA.
 - The FRWA facilities offer a unique opportunity in dry years. When water resources are scarce, and other purveyors may be reducing diversions to allow flow down the American River for out-of-basin transfers and/or relying more heavily on groundwater resources, SCWA can continue to take water at Freeport to alleviate potential stress on the groundwater basin while also allowing surface water to provide flow and temperature benefits for the LAR. Future opportunities would rely on partnerships with other agencies to ensure there are buyers and sellers of water available for any transfers.
- Continued long-term funding for the Habitat Management Element (HME) and the Water Forum Successor Effort (WFSE) has been a crucial factor for supporting healthy and viable conditions for LAR salmonids through the installation of critical habitat and development of the Flow Management Standard.

Contributions to Water Supply Reliability

- Reduced dependence on groundwater
 - This has been implemented as part of the commitments of the original WFA and the completion of FRWA.
- Delivery of surface water supplies to other service areas.

Future SCWA Projects and Investments

- Regional Water Transfers and Agreements (partnerships)

- Ensure affordability in all hydrologic conditions
- Investments in Water Supply Infrastructure
 - Improved interties
 - Improved groundwater infrastructure including possible ASR
 - Expand treatment capacity at VSWTP
 - Provide surface water supplies to groundwater-only service areas
 - Continue planning level investment in the RiverArc (or similar northern Sacramento County surface water diversion) project.
 - Potential infrastructure to connect existing outlying service areas.

Water Forum Commitments to SCWA

Full Endorsement of the following, including letters of support:

- Support Protection of Existing Surface Water Entitlements Including:
 - Signatories will support the continued use of Permit 21209 as an important means to supporting the coequal objectives, specifically groundwater management and the protection of the LAR. SCWA intends to continue to use Permit 21209 surface water when available to support the coequal objectives and to sustain the groundwater table. Use of these supplies is often more expensive than groundwater but may be essential to managing groundwater objectives, including drought reserves to be available during curtailments. If the State Water Board or the Legislature proposes global changes to water rights, each Water Forum member may decide what position to take on the proposal without rescinding agreed-upon support for the use of Permit 21209 as an important means to supporting the coequal objectives.
 - Signatories will support the use of higher cost surface water supplies when available to build historic use so that groundwater will be available during curtailments. This will require SCWA to continue to use the surface water when it meets the co-equal objectives to build historic use as well as to rest the groundwater table. Use of these supplies is more expensive than groundwater.
- Signatories will support the following Capital Projects which are described in the WSIP and contemplated in the 2005 WSMP or amendments to serve lands within the Urban Services Boundary (as of 12/1/2025) and have completed the CEQA process (before 12/1/2025). No Capital project endorsement is considered Full Endorsement if it wasn't listed as a capital project in the existing 2016 WSIP.
 - Expansion of VSWTP to 100 MGD. The FRWA intake and VSWTP were developed to leave flows in the American River to protect the LAR and the Parkway. Water is diverted downstream of the confluence of the American River and Sacramento River, off the Sacramento River, at the FRWA intake and treated at the VSWTP to meet potable

demands in the Zone 40 area. Expansion of the VSWTP to its ultimate capacity is essential to continue the project to the ultimate extent envisioned in the original Water Forum Agreement.

- Expansion of the Agency's Transmission Main and water production system, including the North Service Area (NSA) Phase B pipeline project and NSA Terminal Tank Facility, as described in the 2005 Zone 40 Water Supply Master Plan (including amendments up to November of 2025) and further refined in the 2016 Zone 40 Water System Infrastructure Plan to allow surface water to efficiently flow to service areas within Zone 40.
- SCWA agrees that the Capital Improvement List in the 2016 Zone 40 Water System Infrastructure Plan that is fully endorsed is the one that existed in 2016. Any updates to the capital improvement list will not have full endorsement.
- Signatories will support investment and funding for projects and programs through equitable and fair rates and fees required to honor commitments in this PSA and support the coequal objectives.

Conceptual Endorsement of the following, meaning a commitment by signatories to explore the ideas:

- River Arc Project
- Support for SCWA's participation in the Water Bank and expansion of conjunctive use
- Support for implementation of the South American and North American Groundwater Sustainability Plans
- Partnerships that expand water availability for use through FRWA including expansion of existing entitlement place of use, changes in point of diversion to include FRWA, etc.
- Additional interties between partner agencies to expand conjunctive use in the region.
- Additional surface water entitlements, either procured or by contract through partnerships.



WATER FORUM AGREEMENT

2050

Sacramento Municipal Utility District Purveyor Specific Agreement

Updated: January 8, 2026

Purveyor Background

The Sacramento Municipal Utility District (SMUD) serves electricity to most electricity users in Sacramento County and small portions of Yolo and Placer Counties.

SMUD's core value of environmental leadership is a guiding principle that drives efforts to minimize impacts and encompass all aspects of SMUD operations. These principles support collaborations with the Water Forum and their referenced coequal objectives.

In the 1950s and 60s, SMUD developed a system of reservoirs on the tributaries to the south and middle forks of the American River for power generation. SMUD also developed Rancho Seco Nuclear Generating Station in the southeastern part of Sacramento County, which was later decommissioned, with Cosumnes Power Plant (CPP) later being constructed nearby. The CPP uses American River water for thermal power generation. SMUD maintains Rancho Seco Lake onsite, which serves as a backup water supply for the CPP.

In 1970, SMUD entered a Water Service Contract (WSC) with U.S. Bureau of Reclamation (USBR) for delivery of up to 60,000 acre-feet per year (AFY) of CVP water for municipal and industrial use. In 2006, with concurrence by USBR, SMUD assigned Sacramento County Water Agency (SCWA) the right, title, and interest on a portion of SMUD's Central Valley Project (CVP) contract consisting of 30,000 AFY. The assignment allowed SCWA rights to renew the contract. The original SMUD WSC agreement expired in 2012 but was replaced by a repayment CVP contract (which does not expire). SMUD currently has a repayment contract with USBR for 30,000 AFY.

The point of diversion for SMUD's entitlement is the Folsom South Canal. SMUD does not have a current need for this entitlement, though it could require the full amount depending on future energy generation-related needs. Unless or until SMUD determines that it should make a permanent transfer of that entitlement, SMUD may choose to make temporary transfers and any water that would otherwise be diverted under that entitlement will presumably be released by USBR to other entitlement holders or for other beneficial purposes. If SMUD is considering water transfers that are expected to reduce flows in the lower American River, the transfer will be disclosed to the Water Forum.

The Folsom South Canal is located approximately 3.6 miles west of the SMUD Rancho Seco property. The Canal is a 26.98-mile conveyance owned and operated by USBR as part of the CVP. The canal typically operates at less than 1 percent of its hydraulic capacity and traverses generally south from Lake Natoma on the American River in eastern Sacramento County to a pumping plant owned and operated by East Bay Municipal Utility District. In terms of overall volume conveyed, SMUD is the primary user of the Folsom South Canal, which supplies both the Cosumnes Power Plant and Rancho Seco Lake.

Rancho Seco Lake is an off-stream storage reservoir located approximately one mile east and upstream of Cosumnes Power Plant. The lake is kept full year-round with Folsom South Canal water and incidental rainfall runoff. Water is delivered through a turnout located approximately 700 feet upstream from the Laguna Creek siphon, on the Folsom-South Canal. Water from the turnout is pumped east through a 3.2-mile long, 66-inch diameter pipeline to the Rancho Seco site, and other pipelines convey water to Rancho Seco Lake and CPP.

Rancho Seco Lake is a small reservoir near Clay Creek. The surface area of Rancho Seco Reservoir is approximately 165 acres and is contained by an earthen dam constructed in 1972. The reservoir has a capacity of 2,850 acre-feet (AF). The maximum dam height is approximately 60 feet, total length is 1,800 feet, and crest width is 28 feet. The dam was designed and constructed to standards established by the State of California, which include consideration for earthquake and extreme flood events.

Surface Water Management

Current Diversions

During the last 10 years, SMUD's diversions from the American River for consumptive purposes have ranged from 6,131 AF in 2013 to 3,674 AF in 2023. These diversions could increase should SMUD decide to reoperate the CPP to use alternative fuels that have a greater water demand or undertake other power generation related projects with a consumptive demand, including but not limited to hydrogen production or alternative renewable generation. SMUD has also made temporary assignments of its entitlement to the City of Roseville. SMUD will continue to explore and participate in assignments, transfers, and similar arrangements.

Future Projected Diversions

It is difficult to predict how much water SMUD will divert and use over time. SMUD's current diversions could increase should SMUD decide to reoperate the CPP to use alternative fuels that have a greater water demand or undertake other power generation related projects with a consumptive demand, including but not limited to hydrogen production or alternative renewable generation. SMUD has also made temporary assignments of its entitlement to the City of Roseville. SMUD will continue to explore and participate in assignments, transfers, and similar arrangements.

Drier Conditions Management

In drier years, any assignments of SMUD's water service entitlement will be subject to USBR's available supply. The CPP will need to operate during drier years to meet critical local and regional electrical demands. In fact, the need to operate the CPP could increase in drier years due to dry year reductions in hydroelectric supply or potentially higher temperatures leading to increased use of air conditioning.

Driest Conditions Management

During driest conditions, any assignments of SMUD's water service entitlement will be subject to USBR's available supply. The CPP will need to operate during drier years to meet critical local and regional electrical demands. In fact, the need to operate the CPP could increase in drier years due to dry year reductions in hydroelectric supply or potentially higher temperatures leading to increased use of air conditioning.

Critically Low Storage Conditions

In critically low storage years, any assignments of SMUD's water service entitlement will be subject to USBR's available supply. The CPP will need to operate during critically low storage conditions years to meet critical local and regional electrical demands. In fact, the need to operate the CPP could increase in drier years due to dry year reductions in hydroelectric supply or potentially higher temperatures leading to increased use of air conditioning.

However, it is recognized that in years when the projected unimpaired inflow to Folsom Reservoir is less than 750,000 AF there may not be sufficient water available to provide the purveyors with the driest years' quantities specified in their agreements and provide the expected driest years' flows to the mouth of the American River. In those years, SMUD will participate in a conference with other stakeholders on how the available water should be managed. It is also worth noting that the CPP depends on the Folsom South Canal for its water supply. The pumping station needs a canal level of 107 feet at its intake. This requirement, as well as others, would be discussed in stakeholder conferences mentioned above.

Project List

Non-Structural Projects

- Water transfer agreement with Roseville for 2,000 AFY (through February 2026)



WATER FORUM AGREEMENT

2050

Sacramento Suburban Water District Purveyor Specific Agreement

Updated: November 26, 2025

Sacramento Suburban Water District (SSWD) is committed to supporting good stewardship of the American River watershed and recommits to its membership in the Water Forum as a model for this effort. SSWD will continue its advocacy for the health of the river through actionable, meaningful efforts supporting cold water carry-over at Folsom reservoir, supporting the Flow Management Standard, habitat restoration efforts and advocacy at the federal level with our U.S. Bureau of Reclamation (USBR) partners to balance the co-equal goals. Achieving the co-equal goals requires on-going actions, not just in dry years, to keep the river and groundwater basin healthy and ensure a reliable, safe, and sustainable water supply. Ultimately the Water Forum has endeavored to provide “peace on the river” while knowing that a healthy water supply is reliant upon a healthy river.

Purveyor Background

SSWD was formed on February 1, 2002, under the State of California’s County Water District Law by the consolidation of the Arcade Water District (AWD), established in 1956, and the Northridge Water District (NWD), established in 1958.

The Local Area Formation Commission approved the reorganization of Del Paso Manor Water District (DPMWD), established in 1954, into SSWD as of June 30, 2025. After June 30, 2025, DPMWD ceased to exist and SSWD officially integrated all aspects of the former district into operations of the SSWD as the Del Paso Manor Service Area (DPMSA). The DPMSA will be operated as a separate water system until the DPMSA system facilities have been sufficiently rehabilitated and replaced to the same standard as the SSWD water system, and the SSWD Board of Directors determines that the two service areas will be merged and operated as a single water system.

SSWD is in Sacramento County, north of the American River and serves a large suburban area, including portions of Citrus Heights, Carmichael, North Highlands, City of Sacramento (City), Antelope, Arden Arcade, and McClellan Park (formerly McClellan Air Force Base). SSWD’s service area covers approximately 37 square miles (23,690 acres of land) and serves water to an estimated population of 199,298 (based on the 2020 census) through approximately 48,853 service connections, 47,162 of which are metered. There are 1,691 unmetered service connections in the DPMSA that will be metered by 2035. SSWD’s territory is substantially built out. Other than residential and commercial in-fill projects,

and industrial and commercial development at McClellan Park, SSWD does not expect significant additional development within its territory.

Water System Facilities

SSWD's distribution system, including storage, pump stations and interconnections, has approximately 720 miles of pipeline that range in size from 48-inch transmission mains down to 4-inch distribution mains. There are 48 emergency interties with neighboring agencies along SSWD's service boundary. SSWD has 6 storage tanks with a collective capacity to hold approximately 15.8 million gallons of water. SSWD has a total of 7 booster pumping stations, three of which are co-located with major storage tanks. SSWD pumps its groundwater from approximately 80 permitted groundwater wells. All the groundwater wells pump directly into the distribution system and range between 270 and 1,036 feet deep. SSWD also has facilities to receive treated surface water from Folsom Reservoir and the Lower American River.

Groundwater Wells

SSWD currently has 80 permitted wells in the North American Subbasin (NASb) that are connected to the potable water system, with a current production capacity of approximately 125 million gallons per day (MGD).

SSWD is, by regulation, 100% reliant on groundwater to ensure continuous supply to its customers. Therefore, SSWD must maintain groundwater production capacity necessary to meet 100% of its customers' needs. SSWD's groundwater wells and storage facilities are capable of producing 100% of SSWD's annual water demand.

SSWD pumps from the NASb, which is jointly managed on behalf of SSWD and other municipal pumpers by the Sacramento Groundwater Authority under a Groundwater Sustainability Plan adopted consistent with the Sustainable Groundwater Management Act (SGMA). SSWD works with other groundwater pumpers in the basin to sustainably manage groundwater supply consistent with SGMA.

Surface Water

In addition to groundwater, SSWD imports surface water, when available, from two supply sources: Folsom Reservoir and the Lower American River. SSWD has no surface water rights, but has two contractual entitlements to surface water, one from the Placer County Water Agency (PCWA) for up to 29,000 acre-feet and one from the City for up to 26,064 acre-feet.

When available, SSWD purchases surface water from PCWA supplied from the Middle Fork American River and delivered to Folsom Reservoir. The PCWA water is treated by San Juan Water District (SJWD) at the Peterson Water Treatment Plant pursuant to contract and then conveyed through purchased pipeline capacity in the Cooperative Transmission Pipeline and District-owned transmission pipelines into SSWD's water distribution system in the North Service Area. SSWD also purchases surface water when available from the City supplied from the Lower American River, which is diverted and treated by the City at its E.A. Fairbairn Water Treatment Plant and conveyed through purchased and District-owned pipeline capacity for distribution to customers in SSWD's South Service Area.

In addition to the two contractual entitlements, SSWD purchases Central Valley Project Section 215 surface water from USBR under a long-term Warren Act contract when available.

Surface Water and Groundwater Operations

SSWD has no surface water rights.

Contractual Entitlements

As noted, SSWD has two contractual entitlements to surface water, one from the City and one from PCWA. SSWD regularly enters individual annual contracts with USBR to receive surplus Central Valley Project Section 215 water deliveries when available.

One of SSWD's two predecessor agencies, AWD, entered into an agreement with the City to reserve a water supply for AWD's service area within the City's American River Place of Use. That agreement committed a portion of the City's surface water supplies for future use by AWD, subject to annual payments. After SSWD was formed in 2002, it continued AWD's payments to the City for the American River Place of Use water supply and AWD's planning and design of facilities that enabled SSWD to receive treated water from E.A. Fairbairn Water Treatment Plant.

In 2004, SSWD and the City entered into a Wholesale Water Supply Agreement under which the City agreed to supply up to 20 million gallons per day (mgd) of treated surface water to SSWD under the former AWD entitlement. The agreement will continue in full force and effect unless terminated by mutual written agreement of the parties or by operation of law.

In 2000, SSWD's other predecessor agency, NWD, entered into an agreement to purchase water from PCWA. When SSWD was formed in 2002, it assumed this agreement. The agreement provides that SSWD would buy surface water from PCWA at an increasing volume each year until the maximum contract amount of 29,000 acre-feet per year was reached in 2014 and then maintain this level through the expiration of the agreement in 2025. The PCWA agreement was amended in 2018 to extend its term through 2045. This permitted SSWD to secure a Long-Term Warren Act Contract for the same term (i.e., through 2045) from the USBR to wheel PCWA water supplies through Folsom Reservoir to SJWD for treatment by SJWD and then delivery to SSWD through the Cooperative Transmission Pipeline. The PCWA agreement was further amended in 2020 to reduce SSWD's annual "take or pay" obligation from 12,000 acre-feet to 8,000 acre-feet, with the provision that if PCWA can make additional water available to SSWD in any year, SSWD has the right to take up to 21,000 acre-feet of additional water in that year.

The PCWA entitlement has limitations.

- American River Flows
 - PCWA may not deliver water to SSWD in any year when the March through November unimpaired inflow into Folsom Reservoir is less than 1,600,000 acre-feet.
 - Notwithstanding the foregoing, PCWA may deliver water to SSWD in the following December through February provided water is being released from Folsom Reservoir for purposes of flood protection.
- PCWA Needs
 - The agreement is subject to cutback if PCWA needs any portion of the SSWD entitlement to serve PCWA customers in Placer County, or to meet PCWA's Middle Fork Project power generation obligations to PG&E.

- SSWD Use
 - SSWD Customers – SSWD may only use the PCWA water in PCWA’s expanded Place of Use which covers SSWD’s North Service Area.
 - Sale and Transfer – SSWD may sell or transfer any portion of its available PCWA entitlement within PCWA’s expanded Place of Use (e.g., to the California American Water Company).

Use

SSWD uses surface water in-lieu of groundwater pumping during water year types or conditions when such supplies can be diverted and used in portions of the SSWD service area when available under PCWA’s and the City’s water rights and it provides benefits to SSWD customers or aids in meeting other local or regional objectives such as in-lieu groundwater recharge, which SSWD actively engages in as part of its Water Forum commitments.

Conjunctive Use Program

As one of the original signatories of the Water Forum Agreement (through its predecessor agency, Northridge Water District), SSWD has operated an active Conjunctive Use Program since 1998. Under this program, SSWD provides treated surface water to its customers under its City and PCWA entitlements in lieu of providing pumped groundwater. This reduces SSWD’s need to extract groundwater, which in turn allows SSWD’s groundwater supplies to be replenished through natural groundwater recharge. This operation is referred to as “in-lieu recharge” or more colloquially as “conjunctive use.”

SSWD’s groundwater wells are in the NASb, which is part of the Sacramento Valley Groundwater Basin. While groundwater levels normally fluctuate in response to hydrologic conditions, groundwater levels in the NASb declined between 1950 and 2000. There is a regional consensus that this decline was largely the result of excessive groundwater pumping.

Throughout the history of SSWD, investments in its Conjunctive Use Program have had a significant effect on bolstering groundwater supplies in the region. By supplementing its supplies with surface water when it is available, SSWD’s groundwater pumping has been reduced, thereby allowing for more groundwater recharge.

SSWD supports maintaining a sustainable groundwater basin in the NASb. Seeking opportunities to recharge groundwater requires focus if the resource is to be present when most needed. SSWD remains cognizant of the need to maintain consistency with local Groundwater Sustainability Plans and meeting the requirements of SGMA.

Water Banking

- SSWD’s in-lieu recharge program has contributed to the regional banking of over 400,000 acre-feet of groundwater since 1998.
- SSWD has banked greater than 245,000 acre-feet of groundwater to improve supply reliability since 2003.
- SSWD files annual reports with the State Water Resources Control Board to document its efforts to bank groundwater. These efforts have been recognized and substantiated by the State of California Department of Water Resources’ data and reporting.

Aquifer Recovery

- Since 2003, groundwater levels have stabilized in the portion of the NASb from which SSWD pumps water. This was the result, in large part, of an increase in SSWD's in-lieu recharge practice (i.e., increased surface water purchases by SSWD when available) and enhanced conservation practices on the part of SSWD's customers spurred by SSWD's various education and incentive programs.
- Groundwater level recovery, combined with absence of a robust aquifer storage (i.e., direct groundwater recharge) effort in the area, underscore the general effectiveness of conjunctive use programs and in-lieu groundwater banking efforts.
- As demonstrated by historical groundwater level data for the Sacramento Valley, this water supply management strategy reversed the historical trend of groundwater level decline by reducing groundwater pumping to allow the aquifer to naturally stabilize and then begin to recharge.

Demand Management

SSWD's baseline water usage per capita for the purpose of compliance with Senate Bill (SB) X7-7 was 257 gallons per capita per day (gpcd) for the years 1995-2010, with a 2020 target of 206 gpcd. At the SB X7-7 compliance date of 2020, SSWD customer usage was down to 172 gpcd, meeting the legislative mandate. For the last several years, SSWD's gpcd has hovered around 143 gpcd. This was achieved through a variety of means, including an accelerated Advanced Meter Infrastructure program and expanded water conservation incentive and outreach efforts.

Moving forward, through the Long Term Water Conservation Framework legislation (SB 606 and Assembly Bill 1668), the State of California created real-time targets for water suppliers, including SSWD, that involve a dramatic water use reduction target over the next 15 years that is tied to a residential indoor water use reduction as well as a landscape water efficiency target that involves reporting on landscape water demand as compared to landscape water need (as calculated by the State). This system-wide budget-based water use approach also includes a reduction in water suppliers' system water loss (gallons per connection per day). To achieve these targets, SSWD anticipates that it will need to dramatically expand customer participation in its programs and anticipates making refinements to existing programs as well as adding programs to achieve these requirements. An analysis and prioritization of potential programs is underway and engagement on this topic with the Water Forum membership is ongoing. Draft and final work products will be provided to the Water Forum members.

Current SSWD conservation program elements are advertised on SSWD's web page:

<https://www.sswd.org/departments/conservation>

While subject to change, as program effectiveness is evaluated, examples of likely program enhancements beyond existing elements include:

- Monitoring and analysis of meters dedicated solely to irrigation
- Expanded rebate programs for all customer classes targeting both indoor and outdoor water efficiency efforts
- Enhanced leak repair incentive programs
- Enhanced water and energy partnership rebates

- Enhanced residential water surveys and leak investigations
- Enhanced outreach regarding best practices for water efficiency and water conservation

See “Specific Demand Management Measures by Water Conservation Stage” in Appendix E of SSWD’s Urban Water Management Plan:

<https://www.sswd.org/departments/engineering/reports/urban-water-management-plan>

SSWD understands that Water Code Section 10632 (a)(3)(A) requires purveyors to plan for reductions of 10%, 20%, 50%, and beyond. SSWD will follow the stages set forth in its [Water Shortage Contingency Plan](#) as declared by its Board of Directors based on operational service conditions and water supply availability.

All hyperlinks used within this PSA will be maintained and active for the duration of the agreement, or if changes are made to the online content, the changes will be communicated to the Water Forum and updated links provided.

Current Diversions

N/A

Future Projected Diversions

N/A

Drier Conditions Management

In drier years, SSWD will switch to groundwater in a discretionary fashion to meet customer demands as water resource conditions warrant. Decisions will include, but not are limited to, the need to maintain adequate levels of service, consideration of local surface water resource conditions, groundwater sustainability conditions, and successful outcomes of local banking and extraction program such as the Water Bank or agreements to make water available for the environment (e.g. Healthy Rivers and Landscapes). The surface water supplies available to SSWD (e.g., PCWA, City, USBR) may be subject to significant reductions, up to and including curtailment, during dry years (seasonal and climatic shortages).

Based on historical data, SSWD’s water supply available from groundwater has not been impacted by annual hydrology. Groundwater reliability is consistent in all water years and is not subject to vulnerabilities from seasonal and climatic factors. After several consecutive dry years, the groundwater levels may decline, but this does not reduce the pumping capacity of SSWD’s wells. The reliability of SSWD’s groundwater supply is related to its sustainable groundwater pumping yield estimate, water banking efforts, and its reliable well field capacity that can be used to meet demands in all water year types.

Driest and Critically Low Storage Conditions Management

In the driest years, SSWD will switch to groundwater in a discretionary fashion to meet customer demands as water resource conditions warrant. Decisions will include, but not are limited to, the need to maintain adequate levels of service, consideration of local surface water resource conditions, groundwater sustainability conditions, and successful outcomes of local banking and extraction program

such as the Water Bank or agreements to make water available for the environment (e.g., Healthy Rivers and Landscapes). The surface water supplies available to SSWD from its PCWA and City surface water entitlements may be subject to significant reductions, including curtailments, during dry years (seasonal and climatic shortages).

Based on historical data, SSWD's water supply available from groundwater has not been impacted by annual hydrology. Groundwater reliability is consistent in all water years and is not subject to vulnerabilities from seasonal and climatic factors. After several consecutive dry years, groundwater levels may decline, but this does not reduce the pumping capacity of SSWD's wells. On average, the groundwater level declines are reduced and recover faster because SSWD's water banking efforts have protected and increased the reliability of its groundwater supply.

Project List

SSWD understands that to support the coequal objectives and mitigate challenges facing the region under future conditions, structural and non-structural projects will be needed.

Structural

The following infrastructure projects will support efforts to implement SSWD's Purveyor Specific Agreement (PSA), and support the coequal objectives.

- New replacement groundwater facilities consistent with adopted groundwater sustainability plans
 - Select new replacement wells will strategically be equipped with Aquifer Storage and Recovery capability
- New or improved interties with other purveyors, in particular ones that promote groundwater recharge
- Rehabilitation and modernization of existing water facilities
- Structural projects and programs to help ensure the success of the Healthy Rivers and Landscapes Program (previously known as Voluntary Agreements) or similar tributary-specific programs (e.g., the ARTESIAN program) that improve the ecosystem, protect local water entitlements, and maintain better cold water pool conditions and management in Folsom Reservoir and the Lower American River

Non-Structural

- Consolidation of water districts as approved by the State of California or the Local Agency Formation Commission
- Agreements with neighboring purveyors for conjunctive use opportunities and water supply reliability
- Continued water use efficiency programs and funding support
- Water transfers consistent with groundwater sustainability plans and the California Water Code
- Support for identifying underground storage as a beneficial use of surface water
- Active participation in management and other actions under the groundwater sustainability plans for the NASb

Caveats and Assurances

1. The ability for any individual purveyor to implement the surface water diversions principles will depend on their respective opportunities and constraints.
2. In circumstances where excess water is made available by USBR Article 3(f) of a purveyor's Water Repayment Contract or by a Section 215 Contract between the purveyor and USBR due to flood control operations at Folsom Reservoir, for the purposes of groundwater recharge, that water would not be counted as diversion water within their PSA, regardless of year type.
3. Acknowledge that the duty of a water purveyor is to provide an affordable, reliable, and high-quality water supply to its customers.
4. Agree that evolving regulatory conditions may trigger changed conditions and Water Forum commitments shall evolve to adapt to those changed conditions.
5. Acknowledge that the achievement of the coequal objectives must consider ramifications on water affordability, reliability, availability, and quality.
6. Continue to utilize SSWD's conjunctive use program in a discretionary manner to ensure a safe and reliable water supply is maintained.



WATER FORUM AGREEMENT

2050

San Juan Water District Consortium Purveyor Specific Agreement

(Includes Citrus Heights Water District, Fair Oaks Water District, Orange Vale Water Company, San Juan Water District, and a portion of the City of Folsom)

Updated: January 8, 2026

Purveyor Background

San Juan Water District's (SJWD) wholesale service area is composed of the SJWD's retail service area located in both Sacramento and Placer Counties, Citrus Heights Water District (CHWD), Fair Oaks Water District (FOWD), Orange Vale Water Company (OVWC), and a portion of the City of Folsom. These referenced Districts and the relevant portion of the City of Folsom are hereinafter collectively referred to as "the SJWD Consortium".

SJWD's wholesale surface water supplies consist of three sources – 33,000 acre-feet (AF) per year of water rights allocations (vintages 1854 and 1928), up to 25,000 AF/year in a water supply agreement with Placer County Water Agency for water from their Middle Fork Project, and 24,200 AF/year of Central Valley Project water supplies in a repayment contract with the U.S. Bureau of Reclamation (Reclamation). The water-right water must be provided by Reclamation without diminution, pursuant to a 1954 settlement agreement with SJWD. The other two sources are subject to shortage provisions, but only Reclamation has ever implemented shortage allocations.

These sources of water are all delivered through a municipal and industrial (M&I) intake in Folsom Dam, which is at an elevation that would be subject to air entrainment at approximately 110,000 AF of storage in Folsom Reservoir. All of SJWD's surface water is diverted from the Folsom Reservoir and treated at the Sidney N. Peterson Treatment Plant. Treated water is then stored in a 62-million-gallon treated storage reservoir.

CHWD and FOWD supplement their surface water supply with groundwater. OVWC may supplement its supply with groundwater in the future. Additional supplies may be available from other sources, via interconnections.

SJWD's projected 2030 surface water demand in the 2000 Water Forum Agreement was 82,200 AF/year (the full complement of SJWD's water supplies). In a conference year, under the 2000 Agreement, SJWD's projected surface water demands would decrease to 54,200 AF/year, which was also the baseline surface water use reported by SJWD for 1995. This use increased in SJWD's wholesale service area to 57,900

AF/year by 2004 but has since declined to 32,700 AF/year in 2022 (a reduction of 44%). Even if groundwater use in SJWD's wholesale area is included (a total of 7,200 AF, including a total of 4,000 AF of incremental groundwater pumping for the groundwater substitution transfer in 2022), the total use would be 31% lower than in 2004 (even assuming minimal groundwater use that year).

Surface Water and Groundwater Management

Baseline diversions are those described in SJWD's 2020 Urban Water Management Plan (UWMP), for total and surface water use in 2020. The baseline for the SJWD's American River diversion is 40,642 AF total and 36,301 AF of surface water diversions.

Agreement for meeting the SJWD Consortium's water supply needs to the year 2040:

1. Normal years

As it applies to the SJWD Consortium's portion of the agreement, normal years is defined as follows: years when the projected March through November unimpaired inflow to Folsom Reservoir is greater than 950,000 AF.

In normal years, SJWD will divert and the SJWD Consortium will use no more than 38,603 AF of surface water supplies for customer requirements within the current SJWD wholesale service area. Additional surface water supplies may be used for banking purposes.

2. Drier years

As it applies to the SJWD Consortium's portion of the agreement, drier years is defined as follows: years when the projected March through November unimpaired inflow to Folsom Reservoir is less than 950,000 AF and equal to or greater than 400,000 AF.

In drier years, SJWD will divert and the SJWD Consortium will use a decreasing amount of surface water from 38,603 AF to 30,882 AF within the current SJWD wholesale service area. During drier years, the SJWD Consortium will reduce its surface water demand by additional conservation (up to 20% or as required by the Districts' Water Shortage Contingency Plans) and potential increased use of groundwater.

3. Driest years

Defined for purposes of the Water Forum Agreement 2050 as follows: years when the projected March through November unimpaired inflow to Folsom Reservoir is less than 400,000 AF.

In the driest years, SJWD will reduce its diversion to no more than 30,882 AF for use within the current SJWD wholesale service area, which is lower than its baseline amount. During driest years the SJWD Consortium will reduce its surface water demand by additional conservation (up to 20% or as required by the Districts' Water Shortage Contingency Plans) and potential increased use of groundwater.

In addition, it is recognized that in years when the projected unimpaired inflow to Folsom Reservoir falls below 750,000 AF, there may not be sufficient water available to provide the purveyors with the drier or driest years quantities specified in their Purveyor Specific Agreements (PSA) and provide the expected driest years flows to the mouth of the American River. In those years, the SJWD Consortium will participate in a conference with other stakeholders on how the available water should be managed. The

conferees will be guided by the conference year principles described in Chapter 4, Section I of the Water Forum Agreement.

Demand Management

As noted in the Demand Management element of this Agreement, “All purveyors commit to abiding by the relevant conservation and water use efficiency regulations.” The SJWD Consortium agencies reiterate that commitment in this PSA. The specific measures that the SJWD Consortium agencies will take to meet these obligations have yet to be defined, and they will evolve over time as the different regulatory requirements come into effect. Those measures will be described in the documents referenced below. However, at the time of the signing of the Water Forum Agreement, the San Juan Consortium agencies do anticipate that a major focus of their programs will be on the use of water on irrigated landscapes, and on assisting their customers in reducing this category of use, to the extent that such reductions are necessary and appropriate to allow SJWD Consortium agencies to meet the requirements of the conservation regulations. The SJWD Consortium agencies will consider the various tools and techniques listed in the Appendix as they develop the suite of actions that they may take to facilitate the required changes in water use on landscapes by their customers.

The SJWD Consortium operates extensive demand management programs throughout the service areas of its members, as well as regionally, partly through the programs operated by the Regional Water Authority (RWA). Information about RWA’s demand management programs is available at the following locations:

<https://rwah2o.org/programs/wep/>

<https://bewatersmart.info/>

Information about demand management measures for each member of the SJWD Consortium is available in their respective Urban Water Management Plans, at the following locations:

2020 Urban Water Management Plans:

CHWD (pp. 54-61) https://chwd.org/wp-content/uploads/2020-UWMP-06_21_2021-1.pdf

FOWD (pp. 59-64) https://www.fowd.com/files/b2161c5ba/FOWD+2020+UWMP_FINAL.pdf

Folsom (pp. 9-1 – 9-8)

<https://www.folsom.ca.us/home/showpublisheddocument/6766/637629066033570000>

OVWC (pp. 4-7 – 4-16)

<https://www.orangevalewater.com/files/a20283cf8/OVWC+2020+UWMP+Pubilc+Hearing+July+13.pdf>

SJWD (pp. 4-6 – 4-18)

<https://www.sjwd.org/files/5f7a2a821/SJWD+2020+UWMP+Final+06.23.21.pdf>

Department of Water Resources statewide library of UWMPs:

<https://wuedata.water.ca.gov/>

Current information about water efficiency programs and activities, including rebates, site surveys, water conservation ordinances, etc. for each consortium member is available on its respective website. Those water efficiency web pages include:

CHWD: <https://chwd.org/water-efficiency/>

FOWD: <https://www.fowd.com/water-efficiency>

Folsom: <https://www.folsom.ca.us/government/environmental-water-resources/water/water-conservation>

OVWC: <https://www.orangevalewater.com/drought-stages>

SJWD: <https://www.sjwd.org/water-efficiency>

Information is also available for each agency concerning the water use objectives and corresponding annual water use, which are tracked and reported pursuant to the 2024 urban conservation regulations. That information is available for SJWD Consortium agencies and all affected urban water agencies at DWR's statewide library website, under the "Urban Water Use Objective Reporting" section, at the following link: <https://wuedata.water.ca.gov/>.

Demand management and conservation program information is available in the annual water supply and demand assessments that are submitted by water agencies (including SJWD Consortium members). Those reports are available on DWR's statewide library webpage, under the "Water Shortage Assessment Reports" section.

The members of the SJWD Consortium will update their water conservation ordinances to include the requirements of AB 1572 before January 1, 2027, as required by that statute.

Critically Low Storage Conditions

SJWD's sources of water are all delivered through a municipal and industrial (M&I) intake in Folsom Dam, which is at an elevation that would be subject to air entrainment at approximately 110,000 AF of storage in Folsom Reservoir. Because this entrainment could result in significant damage to the impellers of the pumps that Reclamation uses to pump the supplies brought through the intake to SJWD, Roseville, and Folsom, this level of storage is one variation of "dead pool" being discussed in the Water Forum. This version of "dead pool" has never occurred.

If the water level drops below the M&I intake, Reclamation would use an emergency pump on one of the three power penstocks in the dam to deliver water to Roseville and SJWD and floating barges to deliver water to Folsom. The emergency pump has a capacity of 60 cfs (43,500 AF/year), and the barges have a capacity of 30 cfs. These facilities would allow Reclamation to access water in Folsom Reservoir between the 110,000 AF at which the M&I intake goes dry and the approximately 55,000 AF storage level at which the power penstocks go dry – a second version of "dead pool".

Project List and Future Water Supply Reliability Efforts

Projects for which the SJWD Consortium requests conceptual endorsement by all signatories:

1. Infrastructure repair and replacement projects

2. Expansion of water use efficiency programs to reduce demands on American River supplies
Members of the SJWD Consortium may seek support or endorsement by other Members and/or the Water Forum for the following projects. Should any SJWD Consortium Member choose to seek such support or endorsement, they will do so pursuant to the process defined in in the Water Forum 2050 Agreement.

1. Alternative raw water supply projects to improve reliability and redundancy of delivering raw water from Folsom Reservoir
2. Renovation or installation of facilities necessary to conduct robust conjunctive use activities, such as groundwater production and injection facilities, including those necessary to support expansion of the regional water bank
3. Development and implementation of projects to meet all new regulatory requirements
4. Water rates that are necessary to provide funding to meet the financial needs of SJWD Consortium parties

Glossary of Common Terms

Sources of definitions are indicated in italics

Acre-foot (AF)

An acre is about the size of a football field. An acre-foot is the amount of water that would cover one acre of land one foot deep. It equals 325,800 gallons. That is approximately how much water five people use a year for drinking, washing, and landscape watering.

Aquifer

A geologic formation that stores, transmits, and yields significant quantities of water to wells and springs. *Water Education Foundation*

Anadromous Fish

Fish that spend a part of their life cycle in the sea and return to freshwater streams to spawn.

Best Management Practices (Water Conservation)

A policy, program, practice, rule, regulation, or ordinance of the use of devices, equipment, or facilities that is an established and generally accepted practice that results in more efficient use or conservation of water, or a practice that has been proven to indicate that significant conservation benefits can be achieved. *MOU Regarding Water Conservation in California*

Biological Opinion

A Biological Opinion is a document produced by the U.S. Fish and Wildlife Service (USFWS) or the National Marine Fisheries Service (NMFS) as part of a formal consultation under Section 7 of the Endangered Species Act (ESA). It determines whether a proposed action is likely to jeopardize the continued existence of a listed species or result in the destruction or adverse modification of designated critical habitat.

California Environmental Quality Act

An act conceived primarily to require public agency decision makers to document and consider the environmental implications of their actions. *Guide to the California Environmental Quality Act: Remy & Thomas*

Central Valley Project Improvement Act (CVPIA)

Amends the Central Valley Project (CVP) reauthorization act of 1937 and reauthorizes the CVP to add mitigation, protection, and restoration of fish and wildlife as project purposes equal to agricultural and domestic uses, and to make fish and wildlife enhancement a project purpose equal to power. *USBR ARWRI*

Changed Conditions

This refers to significant changes in circumstances such as laws, regulations, and even the health of the river, which may occur after a *Water Forum Agreement 2050* is signed. If changed conditions arise that may interfere with the implementation of the Agreement, the Water Forum will reopen negotiations.

Conjunctive Use

The planned joint use of surface and groundwater to improve overall water supply reliability.

Conservation Pricing

Pricing that provides an incentive to reduce average or peak use, or both.

Contractual Entitlement

A water entitlement based on a contract, such as a contract with the United States Bureau of Reclamation for Central Valley Project water.

Cost-Effective

A case where the financial benefits of a project are greater than the overall cost.

CVPIA Programmatic Environmental Impact Statement

The program-level document, prepared by the United States Bureau of Reclamation, on the Central Valley Project Improvement Act, complies with the requirements of the National Environmental Policy Act.

Groundwater

The water in an aquifer. For human use and consumption, this water is generally pumped to the surface through a well.

Interested Party

In a negotiation, a person, organization, or entity entrusted to represent those with an interest in the outcome. There are 46 stakeholder organizations participating in the Water Forum.

Inter-basin Transfer

Water transfers from entities outside of a watershed to entities within a watershed.

Landscape Efficiencies

What is achieved through skillful planting and irrigation design, appropriate use of plant materials, and intelligent management to assure landscape development that avoids excessive water demands and is less vulnerable to periods of severe drought.

Low Water Use and Native Plants

Plants that thrive with minimal irrigation typically requiring only one watering per week or less. This includes native plants adapted to the region's climate, as well as drought-tolerant species. Native plants often have deep root systems that tap into groundwater, reducing the need for frequent watering.

Memorandum of Understanding (MOU)

A means of gaining formal consensus between two or more parties on a particular complex issue.

Point of Diversion

The place along the stream channel where a diverter takes control of the water. *How to File an Application to Appropriate Water, State Water Resources Control Board*

Public Trust Doctrine

California's legal doctrine requires the balancing of competing public interests while protecting the rights of the public to use water courses for commerce, navigation, fisheries, recreation, open space, preservation of ecological units in their natural state, and similar uses for which those lands are uniquely suited. It is based on the California State Constitution and goes back to English Common Law. The California Supreme Court stated, "*The state has an affirmative duty to take the public trust into account in the planning and allocation of water resources, and to protect public trust uses whenever feasible.*" *National Audubon (33Cal.3d 419 1983)*

Purveyor

An agency or district that provides water to customers for a fee.

Reasonable-Feasible

Practicable and in accord with reason.

Riparian Vegetation

Of, adjacent to, or living on, the bank of a river or, sometimes, of a lake, pond, etc. *Webster's Ninth New Collegiate Dictionary*

State Water Project

California's state-owned and operated water project, consisting of 22 dams and reservoirs, delivers water 600 miles from the Sacramento Valley to Los Angeles. *Water Education Foundation*

Subsidence

Sinking of the land surface due to a number of factors, of which groundwater extraction is one.

Surface Water Diversions

Water that is diverted and/or pumped from above-ground sources such as rivers, streams, reservoirs, and lakes, as opposed to groundwater, which is water pumped from the aquifer.

Sustainable Yield

Sustainable yield is a balance between pumping and basin recharge, expressed as the number of acre-feet of water per year that can be pumped from the basin on a long-term, average annual basis.

Water Forum

A community collaboration process involving interested organizations and commitment to the coequal objectives of *providing a reliable and safe water supply for the region's economic health and planned development through the year 2050, and preserving the fishery, wildlife, recreational, and aesthetic values of the lower American River.*

Water Forum 2050

The formal agreement among the Water Forum representatives will be presented to stakeholder organizations in the fall of 2025 for ratification without revision.

Quick Reference for Common Acronyms

AB	Assembly Bill
ACWA	Association of California Water Agencies
AF	Acre feet
AHTT	Ad Hoc Technical Team
ARCH	American River Corridor Health Program Area
ARFCD	American River Flood Control District
ARFO	American River Flows and Operations Program Area
ARG	American River Group
ARPF	American River Parkway Foundation
BC	Business Caucus
BiOp	Biological Opinion
CCOWMP	City County Office of Metropolitan Water Planning (the formal title for the Water Forum under the original Water Forum Agreement)
CDFW	California Department of Fish and Wildlife
CEQA	California Environmental Quality Act
CFS	Cubic feet per second. One cubic foot is about 7.5 gallons.
CII	Commercial, Industrial, and Institutional water users/uses
CVP	Central Valley Project
CVPIA	Central Valley Project Improvement Act
DAC	Disadvantaged Community
DFW	California Department of Fish and Wildlife
DOFA	Declaration of Full Appropriation
DM	Demand Management (water conservation practices)
DPMWD	Del Paso Manor Water District
DTA	Dry Time Actions (element of the Water Forum Agreement)
DWR	California Department of Water Resources
EBMUD	East Bay Municipal Utility District
EDCWA	El Dorado County Water Agency
EID	El Dorado Irrigation District
EC	Environmental Caucus
ECOS	Environmental Council of Sacramento

FOR	Friends of the River
FIRO	Forecast-Informed Reservoir Operations
FMS	Flow Management Standard
FOR	Friends of the American River
GFA	Governance, Funding, and Administration Program Area
HME	Habitat Management Element (of the Water Forum Agreement)
HR&L	Healthy Rivers and Landscapes Program (also known as Voluntary Agreements)
LAFCo	Local Agency Formation Commission
LAR	Lower American River
LOWV	League of Women Voters
M&I	Municipal & Industrial
mFMS	Modified Flow Management Standard
MGD	Millions of Gallons Per Day
MOU	Memorandum of Understanding
NASb	North American Subbasin (groundwater)
NEPA	National Environmental Policy Act
NSC	Negotiating Steering Committee
PC	Public Caucus
PCWA	Placer County Water Agency
PSA	Purveyor Specific Agreement
Reclamation	U.S. Bureau of Reclamation
RWA	Regional Water Authority
SACOG	Sacramento Area Council of Governments
SAFCA	Sacramento Area Flood Control Agency
SARA	Save the American River Association
SASb	South American Subbasin (groundwater)
SB	Senate Bill
SCGA	Sacramento Central Groundwater Authority
SCWA	Sacramento County Water Agency
SDAC	Severely Disadvantaged Community
SGA	Sacramento Groundwater Authority
SJWD	San Juan Water District
SME	Subject Matter Expert

SRBX	Sacramento Regional Builders Exchange
SWRCB	State Water Resources Control Board
TAF	Thousand Acre Feet
TUCP	Temporary Urgent Change Petitions
UIFR	Unimpaired Inflow into Folsom Reservoir
USACE	U.S. Army Corps of Engineers
USBR	U.S. Bureau of Reclamation
USEPA	U.S. Environmental Protection Agency
USFWS	U.S. Fish and Wildlife Service
UWMP	Urban Water Management Plan
VAs	Voluntary Agreements
WC	Water Caucus
WF	Water Forum
WF2050	The current Water Forum Agreement
WFA	Water Forum Agreement
WFSE	Water Forum Successor Effort (relevant terms from original WFA)
WG	Working Group
WSCP	Water Shortage Contingency Plan (component of Urban Water Management Plans)
WSS	Water Supply Sustainability Program Area

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Appendix 1: Advancing the Seven Elements of the First Water Forum Agreement

The first Water Forum Agreement (WFA), signed in the year 2000, included seven key elements that represent the strategies members used to meet the coequal objectives of water supply reliability and environmental stewardship. Over the past 20 years, these strategies shaped water management in the Sacramento region, addressing both immediate needs and long-term sustainability.

1. Increased Surface Water Diversions
2. Dry Year Actions
3. Flow Standard
4. Habitat Management
5. Water Conservation
6. Groundwater Management
7. Water Forum Successor Effort (WFSE)

The WF2050 Agreement restructures the original seven elements into five program areas. The following section outlines the original seven elements from the first WFA and highlights the progress made under each.

1. Increased Surface Water Diversions

The first WFA detailed plans to increase surface water supplies from rivers to support Sacramento's anticipated population and economic growth through 2030. Recognizing that conservation and sustainable groundwater use alone would not meet projected future demand, the agreement specified the amount of surface water each provider would divert during average, wet, dry, and very dry years, as well as the necessary infrastructure and projects to meet customer demand. Additionally, the agreement included emergency flow strategies to protect salmon and steelhead, as well as measures to reduce river water demand by shifting to groundwater and enhancing conservation efforts.

Progress: This element played a crucial role, alongside the WFA's Groundwater Management strategy, in restoring the region's groundwater basin to sustainable levels. By committing to increased surface water use during wet times, water providers allowed groundwater levels to recover. Over the past 20 years, regional groundwater levels have stabilized or risen in many areas.

For example, the Sacramento County Water Agency (SCWA), which was once completely dependent on groundwater, increased its surface water use by 29 percent in 2023 compared to the previous year, thanks to the Freeport Water Intake, a project outlined in the WFA. This shift stored approximately 10,220 acre-feet of groundwater in aquifers, enough to meet the annual needs of over 30,600 households.

2. Dry Year Actions

The "Dry Year Actions" section of the WFA was designed to help ensure sufficient water supplies during dry years for people while also protecting the environment of the American River. The agreement outlined increased water diversions from the American River in wet and average years, but during dry years, water providers agreed to reduce these diversions to protect fish, wildlife, and recreation on the river. To compensate for reduced river water in dry years, water providers planned to use strategies such as increasing groundwater use, re-operating reservoirs, increasing conservation, and utilizing recycled water. Each provider had specific targets for reducing river water use in dry years, which were detailed in the agreement.

Progress: This element was successfully tested over the years and particularly during California's extreme drought in 2014-15. Members worked together to reduce demands on the river by increasing groundwater use, boosting water conservation efforts, and reoperating reservoirs upstream of Folsom Reservoir. Through the Water Forum's Dry Year Conference, members also worked together to advise the U.S. Bureau of Reclamation on emergency flow strategies for Folsom Reservoir, aiming to minimize harm to salmon and steelhead as water levels in the lower American River reached historic lows.

3. Flow Standard

The WFA included plans to establish a new flow standard for the lower American River that would improve water releases to better support fish, especially fall-run Chinook salmon, while also preserving water storage in Folsom Reservoir to safeguard against drought.

Historically, water releases from Folsom Dam did not align with the fish's life cycle, negatively impacting the fishery. To address this, a team of fish biologists and experts from agencies such as the U.S. Fish and Wildlife Service and the California Department of Fish and Wildlife collaborated with the Water Forum to design a release pattern that prioritized the needs of the fish, while still meeting the reservoir's water supply and flood control objectives.

This new approach involved reducing summer flows to conserve water for increased releases in the fall, to provide better water conditions for salmon. The plan also included flexibility for adjustments based on real-time environmental needs.

Progress: In 2006, the Water Forum published the first Flow Management Standard (FMS) for the lower American River. The FMS utilizes the best available science to establish targets for minimum river flows and cold-water storage at Folsom Reservoir, aiming to preserve water storage, mitigate drought impacts, and enhance water temperature in the Lower American River for the benefit of salmon and steelhead. Since then, this science-based methodology has evolved with advancements in modeling and technical analysis, as well as real-world experience. After nearly 20 years of study and refinement, the Modified FMS is now recognized as the best path forward for protecting and restoring steelhead and fall-run Chinook salmon in the lower American River, while enhancing local water supply reliability without adverse impacts elsewhere in the state.

The Modified FMS is integrated into the most recent federal Biological Opinion, guiding the operation of Folsom Reservoir. To further support its understanding and implementation, the Water Forum is working on a consolidated version of the methodology for reference by the U.S. Bureau of Reclamation and other state and federal agencies.

Moreover, the Water Forum's science and habitat work positioned the region to successfully negotiate a voluntary agreement with the State Water Resources Control Board as part of the Healthy Rivers and Landscapes (HR&L) Program. This agreement incorporates the flow management standard in combination with habitat enhancement and increased river flows during dry years.

4. Habitat Management

The Habitat Management Element (HME) of the WFA focused on preserving the fishery, wildlife, recreational, and aesthetic values of the lower American River. The LAR Salmonid Habitat Enhancement Projects are at the core of the program, largely supported by federal funding through the Central Valley Project Improvement Act (CVPIA) and State of California funding. Key HME projects included habitat enhancement for salmon and steelhead, such as constructing spawning and rearing habitats. The element also focused on scientific research to better understand how river operations and enhancement efforts affected fish migration. The HME also specified collaboration with partners, including co-convening the Lower American River Task Force with the Sacramento Area Flood Control Agency and supporting water-related education.

Progress: The Water Forum's contribution to the lower American River environment is unmatched. No other organization invests in the lower American River environment like the Water Forum. With support from local, state, and federal partners, it has invested over \$38.8 million in habitat improvement and public education since 2000. These efforts include constructing more than 30 acres of spawning beds and 1.2 miles of side channels to support salmon and steelhead rearing.

The pace of the Water Forum's habitat enhancement work has accelerated significantly over the past five years. In 2020, the Water Forum secured \$5 million in Prop 68 funding from the State to support the early implementation of the Healthy Rivers and Landscapes Program (HR&L). This funding complemented existing program resources, enabling faster, larger-scale implementation. The Water Forum focused on refining designs, conducting necessary analyses, and implementing phased construction at each of the 10 approved habitat project sites. Additionally, the Water Forum assessed other potential habitat enhancement sites along the lower American River and advanced multi-benefit projects, such as the naturalization of Cordova Creek.

The Water Forum employs a science-based approach to habitat improvement and monitoring, linking each study to specific goals that support adaptive management. This work supports decisions related to the FMS and evaluates the feasibility of future habitat enhancement projects. With a changing climate, this program has become increasingly vital.

Moreover, the Water Forum has contributed to the scientific understanding of anadromous fish in the lower American River through studies that produce underwater maps and monitor salmon behavior during drought. These studies help identify locations for habitat enhancement that avoid impacts to flood safety. Years of adaptive management have allowed the Water Forum to refine conditions for optimal salmon spawning, such as gravel depth, flow rate, and substrate size, advancing sustainable habitat practices for the river.

The Water Forum's scientific work has earned it a place as a trusted regional voice among state and federal agencies overseeing Folsom Reservoir and the statewide water system. This work has enabled the Water Forum to provide consensus-based recommendations on critical issues, including temperature modeling, fisheries, and hydrology.

5. Water Conservation

Under the first WFA, water providers committed to comprehensive conservation plans to meet regional water needs while reducing reliance on both groundwater and surface water, including diversions from the American River. Initially, providers followed the 2000 Water Conservation Plans specified in the WFA, with a focus on maximizing conservation in a way that was accountable, measurable, and effective. Later, they adopted Best Management Practices (BMPs) under the guidelines of the California Urban Water Conservation Council (CUWCC) as a means of meeting the state's water conservation requirements to reduce per capita water use by 20 percent by 2020. These requirements had been mandated by Senate Bill x7-7 of 2009, which created the 20 x 2020 program.

Progress: The WFA led to the creation of the Regional Water Authority and its Water Efficiency Program. For over two decades, this program has engaged local water providers in a regional strategy to conserve local water resources, share best practices, and pool resources to maximize impact and meet state requirements. Working together, participants have leveraged funds with other regional utilities, increased economies of scale for securing grants, and optimized advertising dollars for extensive customer outreach. The program also runs a regional school education initiative and manages the customer-focused website BeWaterSmart.info, which promotes water-saving practices across the region.

This award-winning program empowers members to optimize their investments in water efficiency and capitalize on available grant opportunities. Since 2003, it has successfully secured nearly \$19.9 million in competitive grants to support outreach, advertising, rebate programs, and services that would be challenging for individual agencies to implement independently. Since 2013, local water use has decreased by 23 percent, despite a 15 percent increase in population. This strong regional effort has positioned local water providers to meet the new *Making Conservation a California Way of Life* standards set by the State Water Resources Control Board, pursuant to the water conservation legislation adopted in 2018.

6. Groundwater Management

The Groundwater Management Element focused on protecting the region's groundwater resources, which supply about half of the region's annual water supply. The goal was to help ensure that groundwater remains available for future generations while balancing its use with that of surface water supplies.

As part of the WFA, the region established several local agencies, such as the Sacramento Groundwater Authority (SGA) and Sacramento Central Groundwater Authority (SCGA), to monitor groundwater use and implement a conjunctive use program, a strategic approach to managing groundwater that combines the planned use of both surface water from lakes and rivers and groundwater via wells. The practice optimizes water availability in the region over the long term even as the climate changes.

Progress: The WFA provided a crucial collaborative foundation essential to developing the Sacramento region's successful conjunctive use program. Over the course of two decades, this program enabled the once-overdrafted North American Subbasin to recover and reach sustainable levels, while also providing a path for water providers to reduce their reliance on the river during critical habitat periods for endangered fish.

The SGA was a pioneer in groundwater management and served as a model for the Sustainable Groundwater Management Act (SGMA), California's landmark law passed in 2014 to safeguard California's groundwater resources for the long term.

SCGA has also played a critical role in implementing sustainable groundwater management in the South American Subbasin. One of the most significant efforts underway in this area is the Harvest Water project, California's largest agricultural water recycling initiative, led by the Sacramento Area Sewer District (SacSewer).

SGMA required local agencies to establish Groundwater Sustainability Agencies (GSAs) and develop and implement Groundwater Sustainability Plans (GSPs) for more than 100 high- and medium-priority subbasins statewide. In the greater Sacramento region, local agencies formed multiple GSAs for the North and South American Subbasins. They were well-positioned to develop GSPs for these subbasins, which were subsequently adopted locally in 2022 and approved by the DWR.

7. Water Forum Successor Effort

The Water Forum Successor Effort (WFSE) was established to guide the ongoing implementation and adaptation of the WFA through 2030. It provides a structured approach to addressing emerging issues, adapting to policy changes, and maintaining continued collaboration among interested parties.

The WFSE was designed to emphasize cooperative problem-solving, requiring participants to engage collaboratively, respect diverse viewpoints, and work toward mutually beneficial

solutions. The Agreement also established that all parties involved would participate on equal footing within the WFSE.

Under the structure outlined in the WFA, the City-County Office of Metropolitan Water Planning oversees the WFSE, funded through agreements with member agencies, primarily water providers. Representatives of member agencies set policy direction, while staff, managed by the City of Sacramento, carry out the work of the WFSE.

Progress: The framework for the WFSE is a hallmark of the Water Forum process and WFA. It has allowed immediate focus on new issues, provided members with flexibility to realign when necessary, and helped sustain trust and momentum throughout the decades of implementation. Membership has remained stable, with many signatories of the first WFA still actively involved. New participants continue to join, strengthening the collaborative framework established in the first WFA.

Appendix 2: ARCAP Two-Year Workplan

SCOPE OF WORK

This workplan describes the intended activities related to the Water Forum American River Climate Adaptation Program (ARCAP) for the first two years of implementation. The focus for the first two years will include confirming the priority issues for resolution, establishing data, tools, and methods for evaluation, conducting analyses, and is also expected to include trial operations. The work will be phased to align with the approved Water Forum budget for the 2026 Fiscal Year (FY) and includes a Progress Report and an opportunity for workplan refinement after the first year. The budget presented within this work plan only includes the activities identified for the first year. The second-year activities and budget will be refined based on the progress made in year one.

ARCAP TASKS

The Work of ARCAP will be organized into the following tasks. Some of these tasks will take place simultaneously and are not necessarily sequential.

Task 1: Water Forum Member Coordination (ongoing)

An ARCAP Working Group will be created to inform and guide the activities of the ARCAP. The Working Group will be co-convened with the Water Forum and RWA, will include two members from each caucus as primary representatives, and will be open to all Water Forum members. The primaries will commit to making reasonable efforts to attend all working group meetings and to review related materials prior to the meetings. The primaries will also be expected to act as representatives of their caucuses by reporting ARCAP progress to the caucus and providing feedback to the Working Group on matters affecting the caucus. The ARCAP working group will be tasked with:

- Reviewing and commenting on work products
- Providing input on program direction, scope, and pace
- Deliberating, refining, and providing answers to ARCAP Questions

Meetings will be held monthly and supported by facilitation staff, with the option of additional meetings as necessary.

The Working Group decisions and recommendations (including answers to ARCAP Questions) will be developed by consensus and will be presented to the Plenary for approval. This process is consistent with the decision process as defined in the Water Forum Agreement 2050.

Task 2: Refine and Focus ARCAP Questions

The initial list of questions associated with the ARCAP program was identified in the Water Forum 2.0 negotiations. The list is extensive and reflects the broad interests of the Water Forum Members (see ARCAP agreement language, Program Element 1). The key questions to be addressed within the first two years of ARCAP implementation will be refined and agreed upon by

the ARCAP Working Group within the first three months of this two-year work plan. It is acknowledged that as ARCAP is implemented, the questions to be answered will evolve, be refined, and re-prioritized as necessary.

Task 2 Deliverable: *Refined list of questions to be addressed within the two-year work plan, building from ARCAP Program Element 1.*

Target Schedule for Completion: *Early 2026*

Task 3: Regional Data Collection and Synthesis

This task will be divided into two sub-tasks, with the first centered on collecting and synthesizing information directly from Water Forum purveyors, and the second focused on organizing and preparing data and information for the Technical Analysis (Task 4).

Subtask 3.1 Regional Water Purveyor Data Collection and Synthesis

Water Forum staff and consultants will coordinate with regional purveyors to identify operational scenarios that address various questions defined in Task 2. The information to be collected about these scenarios will include specific types of transactions that could be implemented to provide measurable quantities of water that could meet the program objectives. The information will be synthesized to provide a regional perspective, illustrating the best opportunities for ARCAP Water to be generated and tracked.

This activity is expected to be done in an iterative manner. Initially, the information collection will focus on identifying operational opportunities and constraints for potential ARCAP actions. Later information collection activities will involve more quantitative information on facility capacities, water demands, and available supplies. This information will be used to refine and answer ARCAP Questions related to the potential performance, rules, or structure.

Data synthesis will involve summarizing and packaging the information into regional overviews, highlighting and illustrating potential ARCAP opportunities. In many cases, WF staff will prepare draft syntheses for consideration and deliberation by the ARCAP Working Group.

Subtask 3.1 Deliverable: *Regional Supply and Operations Synthesis Report*

Target Schedule for Completion: *Summer 2026*

Subtask 3.2 Other Regional Data Identification, Organization, and Preparation

Water Forum staff, with input and guidance from the ARCAP working group, will work to collect and organize data and tools for technical analyses, which are expected to begin in the second year of the ARCAP program. Activities related to subtask 3.2 are outlined below:

- Review and consideration of existing analyses and information
 - Acknowledging the possibility that some ARCAP questions may be answered by other efforts, consideration will be given to opportunities to align analyses with other regional efforts, including efforts by Groundwater Sustainability Agencies (GSAs) and the Regional Water Authority (RWA).
- Define Baseline
 - A baseline will be established for evaluating program effectiveness.
- Identify operational scenarios for evaluation.
 - To be informed by the outcomes from Subtask 3.1 (*Regional Water Purveyor Data Collection and Synthesis*), which the ARCAP Working Group will review.

Subtask 3.2 Deliverable: *ARCAP Data and Approach Summary Document*

Target Schedule for Completion: *Fall 2026*

Task 4: Technical Analyses

This task may include the following activities and will depend on the outcomes of Tasks 2 and 3, and ultimately, the extent of further analysis that is recommended by the working group and approved by the Plenary. The list below provides a preliminary outline of how the work may be organized, which will be refined by the working group.

- Identify hydrologic scenarios for evaluation.
 - It will be informed by relevant regional and statewide climate modeling and will be reviewed by the ARCAP Working Group.
- Identify and prepare tools.
 - Tools considered for further evaluation will include those capable of analyzing trends and conditions for surface water, groundwater, water temperatures, water distribution analyses, etc.
 - Selection of tools will be reviewed by the ARCAP Working Group.
- Conduct Analyses
 - Operational and hydrologic scenarios will be analyzed, and results will be reviewed and discussed with the ARCAP Working Group at various stages.

Deliverable: *ARCAP Technical Analysis Report(s)*

Schedule for Completion: *TBD*

Task 5: Trial Operations and Tracking

It is expected that opportunities may arise to implement certain ARCAP operation scenarios during the first two years of implementation, potentially while technical analyses are still pending. Within Water Forum 2050, it is acknowledged that sources for ARCAP Water will include existing sources and may include operations that are currently being conducted. The ARCAP will provide a mechanism to account for and track the outcomes of these regional activities. Based on the findings of Task 3 (*Regional Data Collection and Synthesis*), opportunities for early trial runs will be identified and considered by the ARCAP Working Group.

As trial runs are performed, individual reporting will be completed on the outcomes of the specific activities.

Deliverable: *Memo(s) reporting results of early trial runs*

Schedule for Completion: *TBD*

Task 6: Synthesis and Documentation

This task will involve synthesizing and documenting all ARCAP activities and analyses. Key reporting is listed below; other documentation may be identified after the first-year progress report.

Year One Documentation

- Year One Progress Report
 - Summarize all activities completed and outcomes for the first year
 - Identify areas for refinement for the second year

Year Two Documentation (tentative)

- Two-Year Report and Recommendations
 - Summarize all activities completed and outcomes
 - Recommend next steps and activities for the ARCAP program. These recommendations will be developed with the ARCAP Working Group.

Task 7: Engagement with Partners (ongoing)

Engagement with ARCAP partners will be ongoing during the entire two-year work plan. Engagement will include regular meetings, coordination, and strategic messaging based on the status of ARCAP activities and the specific partner. Engagement will be guided by input from the ARCAP Working Group. Expected ARCAP partners are listed in the ARCAP Agreement language.

SCHEDULE

Pending: To be added and will reflect the schedule described in the Tasks above after the WF2050 agreement is finalized.

YEAR ONE BUDGET

The budget below reflects the expected costs for the first-year activities of this work plan, including consultants (hours and estimated costs), and indicates the expected level of effort for Water Forum staff (hours and percentage of time for one full-time employee [FTE]). Note, year two costs will be developed as part of the Year One Progress Report.

ARCAP Workplan - Year One Budget

	WF Staff (1 FTE)		Consultants			
			Technical		Facilitation	
	Hours	% Time for Year One	Hours	\$	Hours	\$
Task 1: Water Forum Member Coordination	72	3.5%	90	\$27,000	84	\$21,000
Task 2: Refine and Focus ARCAP Questions	20	1.0%	5	\$1,500	10	\$2,500
Task 3: Regional Data Collection and Synthesis	150	7.2%	150	\$45,000	0	\$0
Task 4: Technical Analyses ^a	--	--	--	--	--	--
Task 5: Trial Operations and Tracking ^a	--	--	--	--	--	--
Task 6: Synthesis and Documentation	40	1.9%	15	\$4,500	0	\$0
Task 7: Engagement with Partners	50	2.4%	20	\$6,000	0	\$0
Total	332	16.0%	280	\$84,000	94	\$23,500

a. Task 4 and 5 are expected to be initiated in year two of ARCAP implementation and costs will be developed as specifics for the associated activities are refined

Appendix 3: Engagement with the US Bureau of Reclamation

The Water Forum's ongoing engagement with the U.S. Bureau of Reclamation (Reclamation) has been and will continue to be key to supporting the coequal objectives. The operations of Reclamation at Folsom Reservoir play a critical role in maintaining the health of the lower American River and ensuring the reliability of regional water supplies. By carefully managing water releases from Folsom Dam, Reclamation helps maintain flow conditions that support aquatic ecosystems, including the habitat needs of species like the Central Valley steelhead and Chinook salmon. These operations are also essential for balancing water supply demands for agricultural, municipal, and industrial use in the Sacramento region, especially during periods of drought or fluctuating hydrological conditions.

DESIRED OUTCOMES

The Water Forum will continue to engage and coordinate with Reclamation through various mechanisms and forums and will pursue the following outcomes in efforts to support both coequal objectives. The signatories' shared commitment to the stated outcomes will enhance the region's ability to adapt to and meet the challenges of climate change.

1. Implementation of the Flow Management Standard (FMS), reflective of the latest data, science, and understanding.
 - a. This includes all features of the FMS (storage targets, minimum flows, temperature protocols, etc.).
2. Reduce regional risks associated with critically low storage in Folsom Reservoir.
3. Leverage regional actions to support healthy conditions on the LAR and regional water supply reliability.
4. Representation of LAR interests in the development and sharing of best available data, science, and methods in regional and statewide collaborative planning and monitoring efforts.
5. Secure funding for habitat planning, implementation, and monitoring efforts on the LAR.
6. Improvements to infrastructure at Folsom and Nimbus dams necessary to support conditions on the LAR.
7. Balanced considerations for American River interests within broader CVP operations, and the regulatory processes to develop operational plans.

In pursuing these outcomes, Water Forum members will coordinate internally to ensure that messaging and communication are consistent and aligned with the interests of all four caucuses.

MECHANISMS FOR ENGAGEMENT

The list below provides an overview of current and planned mechanisms for engagement. This list is likely to change over time.

- Water Forum and Reclamation Memorandum of Understanding (MOU)
 - “*Coordination of Communication and Information-Sharing Activities Related to Lower American River Operations*”
 - Water Forum intends to work with Reclamation to maintain the current MOU and to seek opportunities to update the MOU as needed.
- American River Group (ARG)
 - Monthly meetings with stakeholders on the lower American River to discuss current conditions and planned operations.
 - Key participants include Reclamation, CDFW, NMFS, and Water Forum.
- Monthly cross-caucus meetings with Reclamation
 - Conversations scheduled prior to the ARG meetings provide an opportunity for members to have a more informal discussion with Reclamation.
 - Focused on real-time operations, management, constraints, and forecasts.
- Weekly staff meeting with WF and Reclamation
 - Staff hold weekly staff-to-staff meetings to check in on near-term items.
- Convening LAR Salmonid Habitat Agency Technical Advisory Committee (TAC)
- Participating in and supporting the Central Valley Program Improvement Act, Science Integration Team (CVPIA SIT)
 - Structured Decision-Making and Near-Term Restoration Strategy Guidance
- HR&L Program Participation and Collaboration
- Ongoing Data Sharing
 - Two-way sharing of data and information, including:
 - Latest forecasts
 - Conditions
 - Operations decisions
 - Modeling
 - Fisheries and physical conditions data
 - Utilization of accepted public data venues such as the EDI portal

Appendix 4: List of Temperature Management Projects and Programs

This will be a living document.

			Ways to Support Coequal Objectives Through Partnership			
Project/Idea	Type	Location	Advocacy or Coordination	WF Member Resources	WF Staff Time	Notes
Upgrade of Temperature Control Shutters	Project	Folsom Dam	x		x	35% design is complete, and funding is secured for the remaining design and implementation
Access cold water below the power penstocks	Idea	Folsom Dam				Elephant's Trunk, additional powerhouse on lower outlets, power bypass, etc.
Lake Natoma Temperature Curtain	Idea	Lake Natoma				link
Lake Natoma Shade	Idea	Lake Natoma				-
Lake Natoma Value Planning Study	Study	Lake Natoma		x	x	
Upstream Operations						
Geothermal river cooling						

Appendix 5: ARCH Program Planning Matrix

See the following page.

Appendix 5: ARCH Program Planning Matrix

				Water Forum Led Efforts Current Funding Mix (%)	
Category	Subcategory	Action/Idea	Other Opportunities "Outer Container"	Grants *	HME Operating Fund*
Habitat + Education	LAR Salmon Habitat	LAR Spawning and Rearing Program Build + Maintain**		99	1
Habitat + Education	LAR Salmon Habitat	LAR Rearing Site Planning (RM 0-23)		None	None
Habitat + Education	Parkway Multibenefits	New LAR tributary restoration projects: Carmichael Creek, Buffalo Creek (43)		None	None
Habitat + Education	Parkway Multibenefits	LAR Tributaries (ex. Cordova Creek – Phase 2 Design)		75	25
Habitat + Education	Parkway Multibenefits	LAR Tributaries (ex. Cordova Creek – Ph. 3 Permit + Construct)		None	None
Flows and Ops Decision-Support	Temperature	LAR Temperature Modeling. Conduct temperature Modeling, QA/QC, Temperature Management Plan Review, and support Cross-Caucus and ARG discussions (inform seasonal operational and power bypass)		85	15
Flows and Ops Decision-Support	Hydrologic Conditions	LAR FMS. Weekly review of river conditions, MRR calculations and forecasting; meetings with Reclamation, and Cross-Caucus to inform operations occur per our FMS.		0	100
Flows and Ops Decision-Support	Water Quality	Dissolved Oxygen Continuous Monitoring Pilot Study. Documenting/analyzing continuous DO concentrations below Nimbus Dam, and at Watt Avenue, which is the regulatory compliance point for LAR temperatures. This work will inform our understanding of diurnal and seasonal		0	100
Science & Monitoring	Temperature	Cordova Creek temperature monitoring. Assists with project planning and baseline conditions understanding – a longer term dataset informs site understanding and illustrates commitment of Water Forum to defensible science when applying for next phase grant funds.		0	100
Science & Monitoring	Adaptive Management	Gravel Monitoring and Maintenance Plan/Tracking. Required by regulators for continued programmatic authorization of salmon habitat program site implementation (gravel projects)		100	0
Adaptive Management	Habitat	5-Year LiDAR/top/2D Model Update. Necessary to document change in the LAR bed and banks as a result of typical flows, high flows, and habitat projects. Understanding how the river changes over time informs future design.		100	0
Science & Monitoring	Adaptive Management	Aerial salmonid redd surveys. Measure Habitat Project Effectiveness, Adaptive Management and Project Planning. Understand effectiveness of project via salmon utilization and comparison of site utilization patterns over time. Expensive but more cost-effective than in-river surveys – covers LAR from Nimbus to confluence.		100	0
Science & Monitoring	Adaptive Management	In-river salmonid redd surveys. Understand effectiveness of project via salmon utilization. Required by granting agency for funded projects. Cost-prohibitive to conduct for whole river.		100	0
Science & Monitoring	Adaptive Management	Snorkel (juvenile) surveys. Understand effectiveness of project via salmon utilization. Required by granting agency for funded projects. Cost-prohibitive to conduct for whole river.		100	0
Science & Monitoring	Adaptive Management	Off-Channel rearing and Growth Study. Understand current extent/effectiveness and inform future need and spatial extent of rearing habitat.		98	2
Science & Monitoring	Adaptive Management	Emigrating Salmonid Habitat Estimation (ESHE) Model Update. Utilize results from Off-Channel rearing and Growth Study to inform future rearing habitat implementation		98	2
Science & Monitoring	Adaptive Management	Genetic Mark-Recapture Study. Understand and directly measure production of juvenile fish from habitat sites. Measure Habitat Project/Program Effectiveness Adaptive Management and Project Planning		98	2
Science & Monitoring	Adaptive Management	Otolith Salmonid Life History Study. Understand behavior and life history of naturally spawning Chinook in LAR and how different water year types influence out-migration timing.		98	2
Habitat + Science		Statewide Voluntary Agreements. Science Committee, Habitat Planning, Funding, Implementation, Tracking, Accounting and Science Plan Development. Ensure VA implementation and accounting leverages Water Forum's existing and planned program activities appropriately.		0	100
Habitat + Education	Upper Watershed	Forestry/Watershed health projects (13)	X		
Habitat + Education	Parkway Multibenefits	Improve Riparian Corridor (38a): Protect existing resources – flow/misuse of Parkway			

Appendix 5: ARCH Program Planning Matrix

				Water Forum Led Efforts Current Funding Mix (%)	
Category	Subcategory	Action/Idea	Other Opportunities "Outer Container"	Grants *	HME Operating Fund*
Habitat + Education	? Ask Leo Intent	Improve Riparian Corridor (38b): Increase?			
Habitat + Education	Partnership/Advocacy	Improve Riparian Corridor (38c): Support Regional Parks Natural Resource Management Plan - relevant areas to the HME. Concurrent with ongoing NRMP and Monitoring Plan Implementation TAC involvement.		None	None
Functional Flows	Habitat/Multibenefits	Identify needed Fundamental/Functional Flows (28)		None	None
Habitat + Education	LAR Salmon Habitat	Improve LAR Temperature Infrastructure and Management		None	None
Habitat + Education	LAR Salmon Habitat	Voluntary Agreements: Habitat Planning/Construction		0	100
Habitat + Education	Vegetation	Invasive Species Removal on LAR Parkway		None	None
Habitat + Education	Other Multibenefits	Cosumnes River Projects	X	None	None
Habitat + Education	Other Multibenefits	Sacramento River and Small Tributaries	X	None	None
Habitat + Education	Recreation	LAR Recreation (core HME programmatic element - no projects)		None	None
Habitat + Education	Education	Soil Born Farms K-12 Curriculum Support		None	None
Habitat + Education	Education	Effie Yeaw Nature Center Curriculum/Interpretive Signage		None	None
Habitat + Education	Education	Promotion of regional waterways and their unique qualities	X	None	None
Habitat + Education	Education	Education on the interconnection of local watersheds and groundwater basins	X	None	None
Habitat + Education	Education	Upper Watershed Forest Health Improvements and Advocacy	X	None	None
Habitat + Education	Education	Regenerative and/or Water-Efficient Landscaping	X	50	50
Habitat + Education	Parkway Multibenefits	Bushy Lake Restoration (Ecocultural/Western pond turtle)		None	None
Science & Monitoring	Tracking/Reporting	State of the River Report		0	100
Science & Monitoring	Potential Need	Monitoring for Additional Species and/or Parameters	X	None	None
Habitat + Education	Partnership/Advocacy	Lower American River Task Force		0	100
Habitat + Education	Partnership/Advocacy	American River Group		0	100
Science & Monitoring	Tracking/Reporting	FISH Plan Updates	X	None	None
Habitat + Education	Partnership	Mitigation Coordination American River Common Features (SAFCA/USACE)		None	None
Habitat + Education	LAR Salmon Habitat	Support local funding for spawning and rearing areas in the LAR (46)			
Hatchery	Advocacy	Nimbus Fish Hatchery Management and Operations	X	None	None
Hatchery	Advocacy	Nimbus Hatchery genetics/measurement. Increased survival of salmonids (40)	X		
Hatchery	Advocacy	Improve survival rate of hatchery releases (timing and location of releases) (56)	X		
Hatchery	Advocacy	Support the creation of a WF team to evaluate the operation of the Nimbus Hatchery to better support the genetics of river-spawning salmonids and to improve the survival skills of hatchery-raised salmonids. (62)	X		
Habitat + Education	Upper Watershed	Introduce Salmon above Folsom (47)	X		
Science & Monitoring	Tracking/Reporting	Coequal objectives with metrics specific to LAR (39)			
Habitat	Vegetation	Management/Removal of hydrophilic vegetation along the LAR (Spanish Broom, Yellow Star Thistle, Giant Reed (Arundo donax)		100	0
Habitat	Vegetation	Plant pollinator habitat vegetation on electrical right of ways within the LAR			
Recreation	Flows	Provide for recreational (rafting flows) during the period of most use.			
Recreation		Provide (through donations or outright purchase) webbed garbage bags for each raft			
Recreation	Trails	Provide support to Sac County for recreational trail management; specifically restoration of social trails along the LAR.			
Habitat	Fishery	Identify locations off, and fill in side channel stranding pools.			
Flows and Ops	Temperature	Identify use, management and efficiency of EID Temperature Control Device			
Flows and Ops	Temperature	Identify use, management and efficiency of San Juan/Roseville Temperature Control Device located at their water supply intake.			

Appendix 6: Declaration of Full Appropriation

The WF2050 negotiations included the formation of a subgroup tasked with the review, assessment, and discussion of commitments made in the original Water Forum Agreement related to the existing declaration of full appropriation on the Lower American River. Based on the review and discussion, the subgroup is not recommending the Water Forum pursue an amendment to the Declaration of Full Appropriation (DOFA) in Water Forum Agreement 2050. The explanation follows:

Fully appropriated stream systems are those where there is insufficient supply for new water right applications, either during certain months or conditions, or all year long. The program is administered by the State Water Resources Control Board (SWRCB). SWRCB, which administers major parts of California's water rights system, does not accept applications for new water rights on fully appropriated streams, except in certain specified circumstances.⁶³

The subgroup confirms their understanding that the American River's current status as a fully appropriated stream helps reduce potential new competition for scarce water supplies to the benefit of existing rights holders and water users, as well as public trust watershed resources. The status is therefore a positive one.

The subgroup notes that the SWRCB does not administer the fully appropriated streams program to affect existing water rights and contracts, or applications for assignment of state filings or for rights under the state's Area of Origin protections such as might be made by one or more of the Water Forum 2050 negotiation participants, as provided for by SWRCB orders.⁶⁴

In the SWRCB's administration of its fully appropriated streams system and its responsibilities under the California Wild & Scenic Rivers Act and realities of the National Wild & Scenic Rivers Act designations in California, SWRCB has issued orders that state or federal wild & scenic river designations result in twelve-month declarations of full appropriations on the designated reaches. SWRCB orders also state that any declaration that a stream system is fully appropriated encompasses all upstream sources that contribute to the stream system if such upstream sources are hydraulically continuous to the stream system.

Thus, the existence of insufficient unappropriated supply at times in the American River watershed and the wild & scenic river status of the lower American River is expected to constrain the acceptance and processing of new water right applications outside of the specified exceptions.

Thus, the subgroup sees little utility in recommending that amendments to the existing declarations of full appropriations be sought in Water Forum 2050.

⁶³ https://www.waterboards.ca.gov/waterrights/water_issues/programs/fully_appropriated_streams.

⁶⁴ SWRCB Order WR 98-08 (in response to a petition to reconsider Order WR 89-25, the SWRCB adopted Order WR 90-2 on February 15, 1990. Order WR 90-2 modified and affirmed Order WR 89-25 as modified).

Appendix 7: Bridge to the Regional Groundwater Sustainability Agencies and Water Forum 2050

The purpose of this appendix to the Water Forum Agreement is to address the relationship between groundwater management entities and the Water Forum Agreement. The Water Forum Agreement, initially signed in 2000 and revised in 2015, includes a Groundwater Management Element (GME).

In 2014, the State of California passed the Sustainable Groundwater Management Act (SGMA), which created the foundation for the sustainable management of the state's groundwater basins/subbasins. Under SGMA, to avoid potential state intervention and state control of groundwater, local agencies can signal to the State their intention to form as Groundwater Sustainability Agencies (GSA) to locally manage groundwater within each subbasin. As required in SGMA and newly completed regulations, GSAs prepared, adopted, and began implementing Groundwater Sustainability Plans (GSPs) within subbasins throughout the state.

In the Sacramento County portion of the North American subbasin, the Sacramento Groundwater Authority (SGA) serves as the GSA governed by a joint powers agreement (JPA). SGA works collaboratively with four other GSAs in the subbasin to implement the North American Subbasin GSP.

In the South American subbasin, there are currently seven GSAs working collaboratively to implement the South American Subbasin GSP. The largest GSA in the basin is the Sacramento Central Groundwater Authority or SCGA, which is governed by a JPA, and whose members are largely signatories to the Water Forum Agreement.

The Cosumnes subbasin includes seven GSAs and is governed by the Cosumnes Groundwater Authority (CGA). The CGA serves as the coordinating body for the Cosumnes subbasin GSAs, facilitating communication, data sharing, and the implementation of projects and management actions.

Because SGMA now defines the sustainability metrics of groundwater through the adopted GSPs, the sustainable yield listed in the original Water Forum Agreement is now obsolete. Also, because groundwater management in the three regional subbasins now includes parties that are not signatories to Water Forum 2050, it is important to define the intersection between regional groundwater management and the Water Forum.

The signatories to the Water Forum who are also members of the SGA JPA and the SCGA JPA recognize the shared goal of managing groundwater resources in Sacramento sustainably.

The signatories also recognize the importance of transparent governance and the sharing of information related to groundwater management.

The signatories remain committed to conjunctive use as defined in the original Water Forum Agreement as the balanced use of groundwater and surface water. Conjunctive use prioritizes the use of surface water during wet times and prioritizes groundwater during dry times. The signatories agree that the Sacramento Regional Water Bank will help expand and formalize the practice of conjunctive use.

Appendix 8: WSS Demand Management Actions

Acknowledging that each Water Forum purveyor must consider the timing and level of effort required for each potential demand management action in relation to their opportunities and constraints, the list below is provided as a reference for consideration and is not intended to be any form of a mandate. The ability of each purveyor to identify the most effective demand management actions for their respective service area will be critical as the region endeavors to support the coequal objectives while meeting relevant targets and standards.

1. Create and implement policies and programs that convert publicly owned, commercial, and institutional landscaping to low-water use native landscaping that supports native pollinator, insect, bird, and animal species.
2. Implement staggered outdoor irrigation schedules for twice a week during summer (e.g., based upon a last digit of street address) for residential customers, and one day a week for commercial customers.
 - a. Note: An exception would be needed for newly planted vegetation that requires additional water for healthy root development.
3. Expand and strengthen regional conservation messaging to amplify information about plant watering needs; encourage no irrigation during the cooler, wetter winter months and, in dry winters, significantly reduced irrigation due to lower transpiration rates during the non-growing season.
4. Provide rebates to all customers for indoor and outdoor WaterSense labelled products.
5. Implement programs to identify water users that are using excessive amounts of water (well above the mandated objectives) and support those users in reducing excessive use through education and access to resources (i.e., rebates), as available.
6. Implement water rate structures to promote equity and encourage water conservation (tiered, decoupled, others).
7. Implement leak detection, notification and enforcement.
8. Strengthen and expand regional program(s) that retrofit rental and low-income housing with water efficient devices and landscaping.
9. Expand and strengthen landscape conversion education and incentive programs and emphasize low-water use native plants (which require less summer water and support native pollinator, insect, bird and animal species), and improvements to irrigation practices and systems which increase water-use efficiency.
10. Maintain and strengthen active water waste prevention programs, including public messaging and intervention steps when waste is observed physically or through meter data (i.e., leak alert programs, water waste hotlines).
11. Create messaging and other information programs to positively promote and support customer efforts to help suppliers implement state requirements.
12. Encourage the use of demand management measures such as reuse, gray-water, recycling, and rainwater-harvesting.
13. Establish and support programs targeting implementation of the Commercial, Industrial, and Institutional (CII) Best Management Practices (BMPs).

Appendix 9: Metrics and Reporting Development and Tables

See the following page.

Metrics and Reporting Development and Tables

This appendix provides summary tables of the data and documentation metrics used in the Water Forum metrics and reporting program element, and their respective categories and relevant program areas. The summary tables include the ARFO, ARCH, WSS, and GFA program areas. Metrics related to ARCAP will be developed as the program is launched and the members identify specific to metrics for long-term tracking and reporting. Contextual data are not featured in this appendix. That data is informative in terms of the status of the coequal objectives but is not necessarily indicative of the success of the Water Forum’s activities. A figure and description of steps taken to develop the Water Forum Metrics and Reporting framework are identified in the figure below.



Figure 9.A. Steps taken for development of Metrics and Reporting framework

Each step is elaborated in detail as follows:

1. **Review of Guiding Principles and Available Data:** Guiding principles were reviewed along with available data and information, including existing data reporting mechanisms, to identify potential metrics applicable for each principle.
2. **Determine Type of Metrics:** An explanation was documented of whether these metrics were quantifiable data, or more qualitative and descriptive in nature (see the Types of Metrics explanation below).
3. **Identify Overlaps and Efficiencies:** Metrics were reviewed to determine potential overlaps, whereby a given metric could be tracked that demonstrates progress in supporting more than one Guiding Principle. These overlaps can also provide opportunities for efficiencies in reporting by reducing the overall total number of metrics that are tracked and reported.
4. **Identify Reporting Mechanism:** A potential form of reporting (e.g., Annual Report, Water Forum 2050 Five-Year Status Report, reporting during a standing meeting [Caucus, Plenary]) was identified for each metric. This step leveraged existing forms of reporting and existing venues for Water Forum member and staff engagement, rather than creating additional meetings. Similarly, this step supports providing progress updates that inform standing meetings and existing reporting processes and documentation.
5. **Map Reporting Schedule:** Metrics were reviewed to create an overall reporting and member engagement timeline that could be pursued within a given year to regularly communicate progress made in supporting the coequal objectives and implementing guiding principles.

Appendix 9: Metrics and Reporting

Category	Documentation Metric Description	Coequal Objectives	WF2050 Principles				Reporting Mechanism			
			ARFO	ARCH	WSS	GFA	Website	Annual Report	Meeting	5-Year Status Report
Water Quality	Nov-Feb river temperatures relative to upper tolerable thresholds for both species	X	X				✓	✓		✓
Water Quality	Mar-Oct river temperatures relative to upper tolerable thresholds for both species (where applicable)	X	X				✓	✓		✓
Water Quality	Maximum weekly average temperature (MWAT), and temperature on Nov 1. To be presented relative to peak spring/summer storage.	X	X					✓		✓
Water Quality	Dissolved Oxygen	X	X	X			✓		✓	
Storage	Storage in Folsom reservoir: annual minimum, end-of-May, and end-of-December	X	X	X	X		✓	✓		✓
Storage	Coldwater volume in Folsom Reservoir on October 15th	X	X	X			✓	✓		✓
Habitat	Nov-Feb 90% exceedance flows provide access to X% of available spawning habitat	X	X	X						✓

Appendix 9: Metrics and Reporting

Category	Documentation Metric Description	Coequal Objectives	WF2050 Principles				Reporting Mechanism			
			ARFO	ARCH	WSS	GFA	Website	Annual Report	Meeting	5-Year Status Report
Habitat	Mar-Oct flows provide access to X% of available rearing habitat	X	X	X						✓
Habitat	Number of salmonid habitat projects implemented and documentation of their total acreage and effectiveness through utilization monitoring and sharing of data.	X		X			✓	✓		✓
Habitat	Number (and acreage) of "non-salmonid" natural resource projects implemented and documentation of their utility/ effectiveness through relevant monitoring and sharing of data.	X		X			✓	✓		✓
Water Supply	Synthesis and reporting of GSP data: change in storage, sustainable yield, GW levels, GW extraction, etc..	X			X		✓	✓	✓	✓
Water Supply	Summarize and compare SW and data and information and evaluate for trends relative to hydrologic conditions	X			X		✓	✓		✓
Water Supply	Synthesis of key demand management data from existing reporting (to be summarized by region and on a purveyor basis): actual annual and monthly demands, projected annual demands, and status of meeting relevant regulations.	X			X	X	✓	✓		✓

Appendix 9: Metrics and Reporting

Category	Documentation Metric Description	Coequal Objectives	WF2050 Principles				Reporting Mechanism			
			ARFO	ARCH	WSS	GFA	Website	Annual Report	Meeting	5-Year Status Report
Water Supply	Summary of water supply data summarized by purveyor and region	X			X	X	✓	✓		✓
Water Supply	Annual and seasonal quantification of diversions from the American River	x			X		✓	✓		✓
Funding	Total funding from local, state, and federal grant entities leveraged with operating funds in support of a program area.	X	X	X	X	X		✓		✓
Other	Records of participation in Plenary and Caucus meetings	X				X		✓		
Other	Unimpaired Inflows to Folsom Reservoir (Mar-Oct)	X					✓	✓		✓
Other	Number of individuals/organizations reached (e.g., contacted or content read)	X	X	X	X	X		✓		✓
Other	Number of individuals engaged (e.g., provided input, feedback, responded to requests for information or actively participated in activities).	X	X	X	X	X		✓		
Other	Member Survey to understand perspectives on effective implementation of mutual gains approach, collaborative participation, and leadership among members and WF staff.	X				X				✓

Appendix 9: Metrics and Reporting Table

Category	Documentation Metric Description	Coequal Objectives	WFA Principles				Reporting Mechanism				
			ARFO	ARCH	WSS	GFA	Project Reporting	Website	Annual Report	Meeting(s)	5-Year Status Report/Symposia
Accountability	FMS documentation will clearly communicate flow benefits above MRRs, with quantifications where possible.	X	X				✓				
Accountability	FMS documentation will clearly communicate the importance of DO for river health, with quantifications where possible.	X	X	X			✓				
Accountability	Enumerating and documenting the outcome of meetings attended, briefings held, any beneficial legislative or regulatory outcomes resulting from WF efforts related to advocacy to support WF efforts on the LAR.	X	X	X	X	X			✓		✓
Accountability	Provide a summary of the tools, data, and assumptions used for GW evaluations within the SaSB, NaSB, and CSB.	X			X						✓
Accountability	Documentation of implemented and planned demand management programs and projects (summarized by region and on a purveyor basis).	X			X						✓
Accountability	Maintain documentation on ongoing strategies and outcomes for engagement with Reclamation.	X	X	X	X	X	✓				
Accountability	Document agreed to messages related to water conservation in dry times.	X			X		✓				
Accountability	Document when conferences are convened and include enumeration of meetings conducted.	X			X				✓		
Benefits	FMS includes evaluation of expected impacts/benefits to water quality, flows, habitat availability, and frequency of critically low storage relative to identified thresholds.	X	X	X			✓				
Benefits	Annual project/program tracking and reporting related to opportunities for enhanced operational flexibility within the American River watershed.	X	X	X	X				✓		

Appendix 9: Metrics and Reporting Table

Category	Documentation Metric Description	Coequal Objectives	WFA Principles				Reporting Mechanism				
			ARFO	ARCH	WSS	GFA	Project Reporting	Website	Annual Report	Meeting(s)	5-Year Status Report/Symposia
Benefits	Annual project/program tracking and reporting related to operational and infrastructure improvements for temperature and other water quality issues within the American River watershed.	X	X	X					✓		
Benefits	Annual project/program tracking and reporting related to opportunities for study and implementation and utilization of collected data in LAR-specific and regional/statewide decision support.	X		X					✓		✓
Benefits	Number of targeted public outreach and education activities focused on building support for WF programs and activities and sharing out the results of WF efforts on the LAR and the contribution made to broader regional or statewide goals or best available science.	X		X		X			✓		✓
Benefits	Enumerating and documenting the outcome of meetings attended, briefings held, any beneficial legislative or regulatory outcomes resulting from WF collaboration with partners.	X	X	X	X	X			✓		
Benefits	Document project monitoring and evaluation results for corridor health, can include: physical and fisheries monitoring of project sites based upon established protocols and other river science, monitoring and project and special studies results.	x		x			✓		✓		✓
Partnership	Host annual meeting with regional GSAs to present and discuss GSP status and contents of Annual Reports.	X			X					✓	
Partnership	Host annual meeting to review data and discuss trends related to regional water use and current regulations	X			X					✓	

Appendix 9: Metrics and Reporting Table

Category	Documentation Metric Description	Coequal Objectives	WFA Principles				Reporting Mechanism				
			ARFO	ARCH	WSS	GFA	Project Reporting	Website	Annual Report	Meeting(s)	5-Year Status Report/Symposia
Partnership	Annual learning and engagement sessions will be planned and topics will include all aspects of Water Forum work, and will include communities outside of the signatories (as relevant).	X				X				✓	
Process & Structure	FMS includes features for establishing storage targets/requirements for early-summer and end-of-year	X	X				✓				
Process & Structure	FMS includes evaluation of expected impacts of FMS features on out of basin users	X	X				✓				
Process & Structure	FMS features, specifically storage and flow prescription's, are not in conflict with flood rules and operations	X	X				✓				
Process & Structure	Qualitative description and reporting of scientific data and methodology/methods advocated for and used, decisions made, overview of progress in monitoring and reporting processes.	X		X					✓		✓

Appendix 10: Water Forum and Department of Utilities MOU

See the following page.

**Memorandum of Understanding for
Financial Services Provided to the
City County Office of Metropolitan Water Planning
(also known as the Water Forum)**

The following are terms of mutual understanding of responsibilities between the Department of Utilities (DOU) and the City County Office of Metropolitan Water Planning (CCOWMP) as it relates to financial services for the CCOMWP. All parties have collaborated on the contents of this document and have agreed to follow this agreement. The terms of the memorandum will be reviewed on an annual basis to ensure the language is accurate and consistent with current operations. The Executive Director of the CCOMWP reports jointly to the City and County with the primary oversight provide by the Director of Utilities. However, neither DOU nor the CCOMWP is a separate legal entity. Therefore, this MOU does not legally bind the City of Sacramento, the City Council, the City Manager, or the City Manager's designee regarding any future conduct of either DOU or the CCOMWP.

The signatures below indicate the understanding by DOU and the CCOMWP to abide by the following terms and conditions of this document.


Pravani Vandeyar (Mar 6, 2025 20:50 PST)
Pravani Vandeyar, Director
Department of Utilities


Ashlee Casey (Mar 7, 2025 11:38 PST)
Ashlee Casey Interim Executive Director
City County Office of Metropolitan Water
Planning

The CCOMWP Financial Goal Statement: Provide accurate financial reporting in accordance with the annual adopted budget that optimizes the use of financial resources and provides fiscal transparency.

Purpose for Services: DOU and the CCOMWP have agreed to enter into this interdepartmental services agreement for financial oversight provided by DOU to the CCOWMP for accurate financial reporting and fiscal transparency. The CCOMWP will dedicate one Administrative Analyst (position number 00042742) to DOU for these purposes. The assigned CCOMWP Administrative Analyst (position number 00042257) and Senior Staff Assistant will be the primary points of contact for the CCOMWP. DOU Fiscal Operations team members will provide support depending on the expertise needed to accomplish the individual tasks, in an effort to reduce funding impacts on the CCOMWP's annual budget. The DOU assigned CCOMWP Administrative Analyst (position number 00042742) will provide support to DOU to help offset costs to the CCOMWP. DOU will pay 90% and CCOMWP will pay 10% of the leave hours associated with this position.

Overview of DOU Services Provided: DOU Fiscal Operations Team will provide financial oversight, including the City annual budget and yearend deliverables, assist with accurate

financial reporting, and day-to-day fiscal oversight including all financial eCAPS approvals. DOU will also provide the following services:

Financial Services

Review, approve and provide assistance as needed with the preparation of the annual City budget deliverables for the CCOMWP, including, but not limited to, augmentations, net-zero adjustments, position moves, budget adjustments (including revenue, operating, and transfer adjustments), non-budgeted position report, fund analysis, five-year forecast, and Hyperion entry.

- Review, approve, and provide assistance as needed with the preparation of yearend deliverables as provided by Central Accounting for the CCOMWP. Including but not limited to coordinating project closures, grant roll forward reporting, grant compliance, reclassifying expenses as needed, review and report uncollected revenues, fixing overspent projects, p-card reconciliation, voucher payments, and preparation and/or approval of accounting journals and budget journals as needed for yearend closeout.
- Review and approve day-to-day, quarterly, and annual financial tasks as required for the adopted budget, including but not limited to quarterly projections, interfund reimbursements, accounting journals, revenue invoicing in eCAPS (grant billings and annual water purveyors), monitor doubtful accounts, etc.
- Review and approve budget journals, project requests, project closures, and status changes prepared by CCOMWP staff.
- Approve requisitions and payment vouchers in eCAPS to ensure accuracy, such as the correct budget lines, program codes/projects, sales tax, use tax, etc.
- Review and approve all grant billing packages, including all granting agency's required backup for invoicing requirements, and invoice processing in eCAPS. Grant billing should be completed on a regular basis and wherever possible in the same fiscal year as the expense occurred.
- Review and approve all training and travel requests in eCAPS and the Supervising Financial Analyst will approve in K2 prior to the DOU Director.
- Review and approve all council reports, including approval in Legistar.
- Other financial activities as needed and mutually agreed upon.

CCOMWP Deliverables: The CCOMWP will be responsible for the following tasks:

- Prepare and provide annual City budget deliverables including, but not limited to, augmentations, net-zero adjustments, position moves, budget adjustments (including revenue, operating, and transfer adjustments), non-budgeted position

MEMORANDUM OF UNDERSTANDING FOR FINANCIAL OVERSIGHT

report, fund analysis, five-year forecast, and Hyperion entry. The budget should align with the approved budget as presented to the Plenary and approved by the Executive Director.

- Prepare and provide yearend deliverables documents such as project closures, grant billing accuracy and compliance, support for uncollected revenue, preparing p-card reconciliations, and budget journals.
- Prepare and provide day-to-day, quarterly, and annual financial tasks as required for the adopted budget, including but not limited to quarterly projections, interfund reimbursements, accounting journals, revenue invoicing in eCAPS (grant billings and annual water purveyors), monitor doubtful accounts, etc.
- Prepare and input budget journals, new project requests, project closures, and project status changes in eCAPS for DOU approval.
- Obtain, negotiate, review all documentation from outside parties for contracts, change requests, and requisition requests.
- Provide travel and training documentation for processing.
- Executive Director or Designee will approve all requisitions, travel, and invoices in K2 for approval in eCAPS by DOU.
- Program Manager/Senior Engineer will lead the processes for requests for proposals, requests for qualifications, and contracts.
- Other support for financial activities as needed and mutually agreed upon.

Funding: The CCOWMP is responsible for funding the financial oversight provided by DOU and will provide one Administrative Analyst position (position number 00042742) to DOU through this MOU. This position will report to the DOU Supervising Financial Analyst and will be located in DOU (1395 35th Avenue, Sacramento, CA 95822). The costs associated with this position is included in the CCOWMP's annual budget.

The DOU Fiscal Operations Team will provide overall financial oversight with a team that includes one Supervising Financial Analyst, one Senior Accountant Auditor, one Program Specialist, one Accountant Auditor, four Administrative Analysts (including one CCOWMP Analysts), one Administrative Technician, and two Accounting Technicians. This support will be paid at actual cost with no markup through an annual interfund transfer based on actual costs charged to Program Code 14B03. DOU will complete an annual review of time spent supporting the CCOWMP and prepare an interfund transfer that will charge or reimburse the CCOWMP based on position costs minus actual costs charged. Utilizing the Fiscal Operations Team to support the CCOWMP allows DOU to assign tasks to all levels, which will minimize costs.

MEMORANDUM OF UNDERSTANDING FOR FINANCIAL OVERSIGHT

Insurance: During the term of this agreement the CCOWMP shall maintain a policy of commercial general liability insurance in the amount of not less than \$1,000,000 per occurrence. The policy shall include products and completed operations coverage and the City of Sacramento shall be covered by endorsement or policy terms as additional insured.

Appendix 11: Five- and One-Year Water Forum Budget

See the following page.

Water Forum Budget Projection Summary						
Fiscal Year 2025/26 - 2029/30						
	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
	Adopted	Proposed	Proposed	Proposed	Proposed	Proposed
Fund 7103 - Water Forum Successor Effort	1,393,949	1,050,519	1,029,021	1,062,956	1,099,060	1,133,266
Fund 7104 - Habitat Management Element	940,286	922,621	1,070,163	1,047,620	1,093,275	1,153,975
Total Revenue Need	2,334,235	1,973,140	2,099,183	2,110,576	2,192,334	2,287,241

Note: FY25 is for informational purposes only and includes the Water Forum 2.0 funding.

Water Forum Budget Projection Summary

	FY 25 Adopted	FY 26 Proposed
Fund 7103 - Water Forum Successor Effort	1,393,949	1,050,519
Fund 7104 - Habitat Management Element	940,286	922,621
Total Revenue Need	2,334,235	1,973,140

Water Forum Successor Effort (WFSE) Fund 7103 FY26 Projected Costs			
	Account Codes	FY 25 Adopted	FY 26 Proposed ⁽⁴⁾
Staff / Labor and Benefits		1,165,126	1,172,520
Permanent staff ⁽¹⁾		1,165,126	1,082,724
Employee services contingency	413240		89,796
Operating Services and Supplies		122,516	153,536
Office and Supplies		75,131	109,006
Leased office space	444010	58,451	53,538
Office Parking spaces	444010	4,680	4,860
Postage	461010	200	207
Printing and Binding	455010	900	932
Office Supplies	461020	2,000	2,070
Rental of Equipment (photocopier)	444020	900	932
Food Program	463010	6,500	6,500
Security Services	434030	1,500	1,148
Insurance	452010	0	38,820
Travel and Training		19,385	19,773
Training/Conferences	432010	12,735	12,990
Transportation	458010	1,900	1,938
Meals	458020	925	944
Lodging	458030	2,850	2,907
Other Travel Expenses	458030	975	995
Information Technology		24,000	20,617
Telecommunications		12,000	8,257
Cellular Telephone	453020	2,000	506
Communication Lines	453030	10,000	7,751
Equipment and Software		12,000	12,360
Computer Software	461210	5,500	5,665
Computer Equipment	474410	5,000	5,150
Computer Software Maintenance	443050	1,500	1,545
Human Resources (recruitment, memberships)		4,000	4,140
Subscriptions And Publications	464020	1,000	1,035
Memberships and Sponsorships	481150	3,000	3,105
City of Sacramento/HME - Shared Resources Costs		(546,753)	(493,037)
Accounting ⁽²⁾		39,000	0
Legal		9,533	9,628
Citywide Cost Plan ⁽²⁾		0	52,250
DOU Fiscal & Admin Services (Reimbursement)/Charge		(100,000)	(103,700)
HME Cost Share Reimbursement		(495,286)	(451,215)
Consulting Services for General Operations		653,060	191,000
Communications and Outreach	433060	50,000	56,000
Facilitation Support	433060	0	70,000
Grant Support	433030	0	30,000
Legal	433020	5,000	25,000
Website and SharePoint	433060	30,000	10,000
Water Forum 2.0 MYOP		568,060	
Total Expenses		1,393,949	1,024,019
Operating Reserve Needs⁽³⁾		-	26,500
Total Revenue Need		1,393,949	1,050,519

Notes:

1) There are no assumptions for additional staff; however, if the Water Forum is successful in obtaining substantial grant funding, an augmentation could be needed in the future.

2) The Accounting budgeted transfer will be deleted in FY26 when the Citywide Cost Plan charges are implemented. The City of Sacramento has covered the Citywide Costs in error since WF inception. The Citywide Cost Plan includes all citywide shared services including but not limited to Finance, Human Resources, City Council, City Clerk, Information Technology, etc.

3) The Operating Reserve will be funded over the first five years of the new agreement to minimize funding impacts to purveyors and to maintain at least \$100,000 in available fund balance for unplanned needs. The Operating Reserve excludes costs associated with operating programs. In the event of full revenue loss, programs will be suspended until revenues are available.

4) FY26 Final includes the adjustments for the final position budgeting report, updated liability insurance premium, final adjustments to COS cost share, final adjustments to citywide cost plan, and misc. IT adjustments. Savings will be added to professional services that will later be applied to employee services to support possible overages for Executive Director or Senior Engineer when either position is filled at a higher total compensation rate.

**Water Forum Habitat Management Element (HME) Fund 7104 FY26
Projected Costs**

	FY 25 Adopted	FY 26 Proposed
City of Sacramento/WFSE - Shared Resources Costs	495,286	451,215
WFSE Cost Share Reimbursement	495,286	451,215
Consulting Services for Core Programs	445,000	591,406
Grant Support	30,000	76,406
River Corridor Health - Habitat Enhancement Projects	150,000	-
River Corridor Health - Required Monitoring and Decision Support	95,000	120,000
State of the River - Metrics Reporting and Data Informatics/Visualization	-	150,000
River Corridor Health Program - Technical Support	-	110,000
Flows and Operations - Technical Expertise	170,000	135,000
Total Expenses	940,286	1,042,621
Grant Reserve Funds	491,000	296,000
Grant Reserve Annual Allocation	-	18,500
River Corridor Health - Science and Monitoring	-	(120,000)
Grant Match for USBR WaterSMART Grant (\$650,000)	(195,000)	-
Remaining Grant Reserve	296,000	194,500
Total Revenue Needs	940,286	922,621

Water Forum Successor Effort (WFSE - 7103)
Fund 7103 FY26 - FY30
WFSE (7103 Fund) Projected Fund Balance and Reserve Needs

	FY25	FY 26	FY 27	Projected		
				FY 28	FY 29	FY 30
Fund Balance & Reserves						
Beginning Fund Balance⁽¹⁾	285,000	275,000	100,000	100,000	100,000	100,000
Fund Balance Changes ⁽²⁾	(10,000)	26,500	26,500	26,500	26,500	23,258
Emergency Operating Reserve Balance ⁽³⁾	-	(201,500)	(26,500)	(26,500)	(26,500)	(23,258)
Ending Fund Balance	275,000	100,000	100,000	100,000	100,000	100,000
Operating Reserve Balance		201,500	228,000	254,500	281,000	304,258

Notes:

1) FY24 Yearend Actuals have not been audited. The ending fund balance for FY24 and beginning fund balance for FY25 are subject to change until the Annual Comprehensive Financial Report (ACFR) is released in January 2025.

2) FY25 Fund Balance usage is estimated at \$10K for the University Enterprises contract that was not fully spent in FY24. Future years will be used to fund the Emergency Operating Reserve for WFSE operating costs only.

3) The Emergency Operating Reserve will be funded over the first five years to minimize funding impacts to purveyors. Initial funding comes from remaining WFSE fund balance (7103). In the event of full revenue loss, programs will be suspended until revenues are available. The Reserve will be available for emergencies and will cover 120-day of operating costs, and excludes costs associated with consulting services for general operations and core programs. In addition, the Water Forum will maintain at least \$100,000 in available fund balance for unplanned needs.

Water Forum FY26 - FY30						
HME (7104 Fund) Projected Fund Balance and Reserve Needs						
	FY25	FY 26	FY 27	Projected FY 28	FY 29	FY 30
Fund Balance & Reserves						
Beginning Fund Balance⁽¹⁾	541,000	50,000	50,000	50,000	50,000	50,000
Fund Balance Changes ⁽²⁾	(491,000)	18,500	18,500	18,500	18,500	-
Transfers to Grant Reserve	-	(18,500)	(18,500)	(18,500)	(18,500)	-
Ending Fund Balance	50,000	50,000	50,000	50,000	50,000	50,000
Grant Fund Reduction for Projects/Matches	(195,000)	(120,000)	-	-	-	-
Grant Reserve Balance	296,000	\$ 194,500	\$ 213,000	\$ 231,500	\$ 250,000	\$ 250,000

Notes:

1) FY24 Yearend Actuals have not been audited. The ending fund balance for FY24 and beginning fund balance for FY25 are subject to change until the Annual Comprehensive Financial Report (ACFR) is released in January 2026.

2) Water Forum will create a grant reserve at the end of FY25 to ensure funding availability to pursue grants by using all but \$50,000 of the remaining HME fund balance (7104). There is a need of \$195,000 for a grant match in FY25 and grant related operating expenses of \$120,000. If grant reserves are used in any given Fiscal Year, the reserve will be replenished to \$250,000 over the next five years to limit the impacts on contributors. HME funding was contributed by the County of Sacramento Zone 13 and the City of Sacramento. Funding from the grant match will be used to fund grant related HME efforts only.

Appendix 12: Cost Allocation Methodology Description

During negotiations, it was determined that a new cost allocation methodology would be necessary to fund the work of the Water Forum, commencing in Fiscal Year 2025-2026 (FY26). Previously, funding for multiple agencies was derived from assessments through the Sacramento County Water Agency (SCWA) Zone 13. However, Zone 13 was established 38 years prior without an inflation adjustment, and its revenue has remained static while the Water Forum's budget grew annually to accommodate inflation. As a result, contributions from Zone 13 towards the Water Forum's work became unsustainable. Zone 13 funds historically comprised nearly 50% of the Water Forum's annual budget.

Over several months, water agencies and other funders explored several new funding models to distribute the Water Forum costs equitably. In November 2024, stakeholders agreed on an approach involving proportional cost allocations based on agency connection counts, five-year average groundwater production, and a five-year average of American River diversions. Each dataset is weighted relative to the benefits derived from Water Forum participation (**as summarized in Table 1 below**).

Specific adjustments were made for the agencies summarized below to fully capture the unique benefits and opportunities derived from Water Forum membership and participation:

EBMUD: EBMUD's data was adjusted for the cost allocation calculation to reflect unique characteristics of its service area and water usage relative to the Water Forum. The adjustment was made based on the following factors:

1. EBMUD's service area lies entirely outside the Sacramento region.
2. EBMUD uses water from the American River only as a dry-year supply and does not rely on groundwater from the Sacramento regional groundwater basins.
3. The American River water used by EBMUD flows through the lower American River (LAR) before being diverted at the Freeport intake.

To account for these considerations, EBMUD's connection count was adjusted to reflect the proportion of its service area supplied with American River water on an annual basis, using a five-year average.

PCWA: PCWA's water collection and distribution system is complex, relying on multiple sources and diversion points for its surface water supply. PCWA is also both a wholesaler and a retailer of both treated and untreated water from these multiple sources. For the purposes of the Water Forum cost allocation calculations, only the volume of American River water that is diverted and used within PCWA's own retail service area, treated and untreated, is included. PCWA water diverted by or on behalf of its wholesale customers is excluded from PCWA's cost calculations.

Golden State: An adjustment was made to GSWC’s data within the Water Forum cost allocation model to account for its unique water supplies and operations. GSWC uses treated groundwater that is discharged into the American River and later diverted at the Carmichael Water District’s intake on the LAR, then the treated water is delivered to GSWC, putting the groundwater back to beneficial use. To accurately reflect this process, both GSWC’s American River diversion and groundwater production volumes were adjusted accordingly in the model.

Table 2 illustrates the application of the agreed-upon funding allocation methodology, which includes the relative percentages for each of the respective datasets, the resulting weighted percentage calculated using the factors listed in **Table 1**, and the final cost allocations for FY26 for each relevant funder. The weighted percentage shown in **Table 2** for each agency will be used for five years, and an updated weighted percentage will be calculated in 2030 to be applied in FY2030-2031 and the subsequent five years (pending approval from the funders).

Table 1. Water Forum Cost Allocation Weighting Factors and Benefits

Agency Data Set	Weighting Factor	Associated Benefits
Connection Counts	0.40	• Environmental Stewardship • Maintaining peace on the river • Assistance in the regulatory settings
Groundwater Production	0.20	• Regional water supply reliability • Support for more conjunctive use activities • Regional collaboration and partnerships for projects, programs, and funding
American River Diversions	0.40	• Regional coordination and strategy with the U.S. Bureau of Reclamation • Protecting the value and function of the Lower American River corridor

Table 2. Water Forum Cost Allocation Results

Agency	Base %			Weighted %	FY 26 Contribution Based on 5-Year Avg 2019-2023
	Connections	American River Diversion	Groundwater Production		
El Dorado Irrigation District	0.07	0.09	0.00	0.07	\$128,452
Placer County Water Agency	0.07	0.07	0.00	0.06	\$109,635
City of Folsom (minus Ashland)	0.04	0.12	0.00	0.06	\$119,623
City of Roseville	0.09	0.19	0.00	0.11	\$212,506
San Juan Water District - Wholesale ¹	0.09	0.21	0.05	0.13	\$106,938
Citrus Heights Water District	0.04	0.06	0.02	0.04	\$81,691
Fair Oaks Water District	0.02	0.04	0.03	0.03	\$63,181
Carmichael Water District	0.02	0.03	0.03	0.03	\$53,445
City of Sacramento	0.25	0.19	0.21	0.22	\$422,537
Sacramento Suburban Water District	0.08	0.06	0.21	0.10	\$187,724
Golden State Water Company	0.03	0.03	0.05	0.03	\$61,706
California American Water	0.11	0.00	0.24	0.09	\$179,501
Sacramento County Water Agency	0.11	0.00	0.21	0.08	\$160,600
East Bay MUD	0.04	0.00	0.00	0.02	\$29,602
Total ²	1.00	1.00	1.00	1.00	\$1,917,140

1. San Juan Water District Wholesale contributions include San Juan Retail, Orange Vale, and Ashland (Folsom) service areas.

2. Total funding amount shown excludes contributions of flat fee contributions from SMUD, SAFCA, and EDWA.

Appendix 13: Interagency Agreement for Water Forum Administration

See the following page.

**THIRD INTERAGENCY AGREEMENT FOR THE
ADMINISTRATION AND MANAGEMENT OF THE WATER FORUM**

THIS THIRD INTERAGENCY AGREEMENT FOR THE ADMINISTRATION AND MANAGEMENT OF THE WATER FORUM (“AGREEMENT”) is made and entered into this ___ day of _____ 2025, by and among the City of Sacramento, the El Dorado Irrigation District, the Placer County Water Agency, the City of Folsom, the City of Roseville, the San Juan Water District (retail), Citrus Heights Water District, Fair Oaks Water District, Orange Vale Water Company, Carmichael Water District, Sacramento Suburban Water District, Golden State Water Company, California-American Water, Sacramento County Water Agency (“SCWA”), County of Sacramento, and East Bay Municipal Utility District referred to collectively as “the Parties.”

RECITALS

- A. Each of the Parties to this Agreement is a local governmental entity or public water supplier functioning within or adjacent to the Sacramento Metropolitan Area.
- B. On October 30, 1991, the Sacramento City Council, the Sacramento County Board of Supervisors and the Board of Directors of SCWA authorized the execution of the "Interagency Agreement for the City-County Office of Water Planning" to create a City County organization known as the City-County Office of Water Planning.
- C. The City-County Office of Water Planning, subsequently renamed the City-County Office of Metropolitan Water Planning (hereafter referred to as the “CCOMWP”), was formed to provide City-County staffing necessary to undertake planning and analysis needed for, and to facilitate the participation of numerous stakeholders in, the development of a comprehensive plan to provide a reliable water supply for the region while protecting the environmental values of the area's water resources.
- D. On January 9, 2001, the Sacramento City Council, the Sacramento County Board of Supervisors and the Board of Directors of SCWA entered into the “Second Interagency Agreement for the City-County Office of Metropolitan Water Planning” to provide for the continued existence and operation of the CCOMWP.
- E. The Parties are all members of the Water Forum, a coalition of business leaders, citizens, environmentalists, water managers, and local governments (individually “Members”). The Water Forum was governed by the 2000 Water Forum Agreement, updated in October 2015 (the “Water Forum Agreement”). The renegotiation of the Water Forum Agreement through the Water Forum 2050 process resulted in a need to update the Second Interagency Agreement for the City-County Office of Metropolitan Water Planning to reflect participation of all of the Parties. The purpose of this Agreement is to delineate an efficient and effective arrangement for administration and management of Water Forum staff. Funding for the Water Forum staff and operations will be allocated on a cost-share

basis between the Parties in a separate funding agreement for the Water Forum ("Funding Agreement").

- F. The City of Sacramento and the County of Sacramento wish to express their long time and continuing support for the Water Forum and its mission of the co-equal objectives.

NOW, THEREFORE, in consideration of the mutual promises contained herein, the Parties hereby agree as follows:

1. **Water Forum Office.** The renegotiated Water Forum Agreement has restructured roles and responsibilities of the participating water agencies. To reflect those changes, the name of the CCOMWP is hereby changed to the Water Forum Office. The Water Forum Office is a division of the City of Sacramento, not an independent legal entity. The Water Forum Office is hereby authorized to continue operating in accordance with the provisions of this Agreement. This Agreement replaces and supersedes the Second Interagency Agreement for the City-County Office of Metropolitan Water Planning.
2. **Objectives and Duties of the Water Forum Office.** The objective of the Water Forum Office is to promote the implementation and continued vitality of the Water Forum Agreement. This objective shall be accomplished by providing administrative support and assistance to the Water Forum Members as the Members oversee, monitor, and report on implementation of the Water Forum Agreement. Specific tasks necessary to accomplish this purpose may be performed by Water Forum Office staff, or by other individuals, firms or entities pursuant to contracts or agreements authorized as set forth in Section 5, below.
3. **Water Forum Office Operations.** The City of Sacramento shall continue to provide the Water Forum Office with suitable office space and administrative, clerical, and technical support resources as an entity of the City of Sacramento. The City of Sacramento will be responsible for overseeing the following arrangements for the Water Forum Office:
 - a. Procurement of leased office space including conference facilities and necessary furnishings to house the Water Forum Office.
 - b. Preparation of an operating budget, operating reserves of 120 days, and necessary appropriation resolutions.
 - c. Establishment of accounting records and procedures for capturing expenditures of the Water Forum Office.
 - d. Allocation of operating costs for the Water Forum Office on a cost-share basis among the Parties pursuant to the Funding Agreement. "Operating costs" shall include all office lease, equipment, personnel and other staffing costs, contracting costs, and other costs incurred in the performance of the Water

Forum Office's duties, together with associated direct and indirect overhead and other administrative costs.

- e. Implementation of the staffing plan for the Water Forum Office including such things as classification of positions, salary resolution amendments, recruitment, and selection.
4. **Water Forum Office Costs.** The Parties shall fund the Water Forum Office operating costs in accordance with the cost-sharing provisions of the Funding Agreement. Annual Operating costs shall not exceed the funding available for such costs under the Funding Agreement or available from other funding sources approved by the Parties and shall be consistent with the Water Forum Office budget approved by the Parties.
5. **Staff Arrangements.**
- a. The Water Forum Office shall have an Executive Director and adequate staff to support the following functions: River Corridor Health Program, Water Resources engineering, and administrative support staff. These positions, whether new hires or existing staff, shall be considered City of Sacramento employees. These employees shall continue to be paid at the designated salaries and employee benefits for their respective classifications within the City of Sacramento, and shall be entitled to the same promotions, and merit or other salary increases as City of Sacramento fulltime employees. In addition, the services of other City of Sacramento staff may be used from time to time to provide technical assistance for the Water Forum Office.
 - b. As an entity of the City of Sacramento, the Water Forum Office has established funds that pay the full cost of the assigned positions and any staff assistance for all salaries, employee benefits and indirect employee costs.
 - c. The Executive Director shall be the chief administrative officer of the Water Forum Office, shall supervise the Water Forum Office employees, and shall be responsible for the administration of the Water Forum Office pursuant to this Agreement. The Executive Director shall report to the Director of the City of Sacramento Department of Utilities ("DOU Director"). The DOU Director shall implement a process to solicit the Parties' input on the selection and performance of the Executive Director but shall retain sole authority to take any and all employment actions related to the Executive Director.
 - d. Water Forum Office staff, including but not limited to the Executive Director, are not employees of any Party other than the City of Sacramento and shall not be entitled to any wages, retirement benefits, or other benefits enjoyed by employees of any Party other than the City of Sacramento.
 - e. When requested by the Water Forum's Coordinating Committee, or at least every five years, the Water Forum may conduct a compensation survey to

ensure that the total compensation of the Executive Director is appropriate. The compensation survey will be paid for by the Water Forum office. Should the survey indicate the compensation should be adjusted, the City of Sacramento shall consider adjusting the compensation accordingly, but is not required to do so. All Water Forum office employee salaries are funded by the water agencies that contribute to the Water Forum office, the funding for their salaries does not come solely from the City of Sacramento. Nothing in this agreement, in action or intent, will preempt City of Sacramento employment practices.

6. **Contracting Procedures.** All Water Forum Office contracting shall follow procedures used by the City of Sacramento. The Executive Director may recommend the approval of contracts for services required by the Water Forum Office and the Sacramento City Manager or the City Manager's designee shall be authorized to approve and execute such contracts in accordance with applicable provisions of the Sacramento City Code relating to authority to enter into contracts. All other contracts shall be submitted to the Sacramento City Council for approval and execution. All contracts shall be approved as to form by the Sacramento City Attorney or use standard formats approved by the Sacramento City Attorney. The City shall require and verify that all contractors and subcontractors maintain insurance coverage that meets the minimum scope and limits of insurance coverage appropriate for the work performed. Costs incurred under contracts that are consistent with the Water Forum Office budget approved by the Parties shall be allocated on a cost-share basis between the Parties as specified in the Funding Agreement.

7. **Insurance; Excess liability.**

- a. The City of Sacramento shall procure and maintain a liability insurance policy sufficient to cover the Water Forum Office's potential liabilities, with a minimum limit of \$1 million per occurrence and \$4 million aggregate. The Parties recognize that the coverage and terms of insurance may be subject to change based on insurance market conditions, but the City of Sacramento shall immediately disclose changes and obtain approval of the other Parties to an approach that most closely preserves compliance with requirements of this section. The coverage must be at least as broad in scope as Insurance Services Office (ISO) Commercial General Liability Coverage (Occurrence Form CG00 01) including products and completed operations, property damage, bodily injury, personal and advertising injury, and contractual liability coverage for liabilities assumed under this Agreement as an "insured contract." The City of Sacramento will provide proof of this insurance to each Party on an annual basis for the duration of this Agreement and will immediately notify Parties of any changes in coverage. Liability coverage will be in effect for Water Forum work plan activities or activities communicated in writing to the Plenary Water Forum.

- b. The City of Sacramento shall use available insurance proceeds to defray the cost of liability arising from the Water Forum Office or its functions or work. If the Water Forum Office's liability insurance, or any other available insurance policy, does not fully cover all liability of the Water Forum Office or of the City of Sacramento arising from a covered employee action, omission, or injuries, then any excess amount of such liability ("Excess Liability"), except Excluded Liability, shall be allocated among the Parties pursuant to the cost allocation formula specified in the Funding Agreement. The term "Excluded Liability" includes each of the following: (i) any liability arising from any employee action, omission, or injury that is intentional, fraudulent, reckless, or outside the course or scope of the employee's position with the Water Forum; (ii) any liability arising from any class actions, representative actions, actions under the Private Attorneys General Act; or (iii) any liability arising from claims for punitive or exemplary damages; or (iv) recovery of attorneys' fees. Excess liability costs for Excluded Liability may be submitted to the Parties for consideration through the annual budget process. The Parties (as defined in Attachment A) are to be covered as additional insureds on the Water Forum Office's CGL policy with respect to liability arising out of this Agreement. For any claims related to this Agreement, the Water Forum Office's insurance coverage shall be primary and non-contributory as respects the Parties. The Water Forum Office will promptly notify each Party of any claim that has arisen or that may arise and keep them informed as to the status of the claim until resolved.

The City of Sacramento shall procure, maintain, and be solely responsible for the provision of workers' compensation insurance for its employees assigned to the Water Forum Office or performing duties related to the Water Forum Office. The City shall maintain excess workers' compensation insurance and waive subrogation against the Parties.

8. **Disclaimer of Liability; Mutual Indemnification.** No Party nor any officer or employee thereof shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by another Party under or in connection with any work, authority, or jurisdiction delegated to another Party. Each Party shall fully defend (upon the request of the indemnitee), indemnify, and hold each Party harmless from and against all claims, losses and liabilities occurring by reason of anything done or omitted to be done by the indemnifying Party under or in connection with any work, authority, or jurisdiction delegated to the indemnifying Party under this Agreement. Except as limited by this section 8, Excess Liability, except Excluded Liability, may be allocated among the Parties in the manner and circumstances described in subsection (b) of section 7.
9. **Effective Date.** This Agreement shall become effective when it has been signed by each Party.

10. **Termination.** This Agreement shall remain in effect until December 31, 2050, unless terminated sooner in the manner described herein. This Agreement may be terminated by two-thirds written consent of the Parties. Nothing in this Agreement shall prevent any individual Party from withdrawing as provided in this Agreement. Upon termination of this Agreement, any surplus funds on hand shall be returned to the then Parties in proportion to the contributions made.

A Party may unilaterally withdraw from this Agreement without requiring termination of this Agreement, effective upon 90 days' written notice to the other Parties, provided that the withdrawing Party shall remain responsible for any indebtedness incurred by the Party under the Funding Agreement, and further provided that the withdrawing Party pays or agrees to pay its share of debts, liabilities and obligations of the Water Forum Office incurred by the Party under this Agreement prior to the effective date of such withdrawal. Terms of the Funding Agreement may include a not-to-exceed amount equaling a two-year funding obligation from each agency.

If the City of Sacramento wishes to withdraw from this Agreement, the City of Sacramento shall provide 180 days' written notice to the other Parties; provided that the City of Sacramento shall remain responsible for any indebtedness incurred by the City of Sacramento under any funding agreement, and further provided that the City of Sacramento pays or agrees to pay its share of debts, liabilities and obligations of the Water Forum Office incurred by the City of Sacramento under this Agreement prior to the effective date of such withdrawal. In such case, the City of Sacramento shall cooperate in good faith with other Parties if they wish to continue the Water Forum Office under the auspices of another entity.

11. **Notices.** Any notices or other communication to be given Parties pursuant to this Agreement shall be given in writing by U.S. Mail, email, or by personal delivery to the Parties at the addresses set forth in Attachment B, incorporated herein by this reference.
12. **Amendments.** This Agreement may be amended only by a subsequent writing, approved and signed by the authorized representative or agent for each Party, except the representatives and contact information contained in Attachment B may be amended by providing an updated copy of Attachment B to all Parties.
13. **Entire Agreement.** This Agreement and any attachments hereto constitute the entire Agreement and understanding among the Parties regarding the administration and management of the Water Forum Office. If any provision of this Agreement conflicts with any provision of any other agreement related to the Water Forum Office, the conflicting provision of this Agreement shall control.
14. **Successors and Assigns.** This Agreement shall bind, and inure to the benefit of, the successors, assigns, heirs, and legal representatives of the Parties hereto.

15. **Waiver.** The waiver at any time by any Party of its rights with respect to a default or other matter arising in connection with this Agreement shall not be deemed a waiver with respect to any subsequent default or matter.
16. **Construction and Interpretation.** The Parties agree and acknowledge that this Agreement has been arrived at through negotiation, and that each Party has had a full and fair opportunity to revise the terms of this Agreement. Consequently, the normal rule of construction that any ambiguities are to be resolved against the drafting Party shall not apply in construing or interpreting this Agreement.
17. **Counterparts and Digital Signatures.** This Agreement may be executed by the Parties in separate counterparts, each of which when so executed and delivered shall be an original. All such counterparts shall together constitute but one and the same instrument. Signatures scanned and transmitted electronically shall be deemed original signatures for purposes of this Agreement, with such scanned signatures having the same legal effect as original signatures. This Agreement may be executed through the use of an electronic signature and will be binding on each party as if it were physically executed.
18. **Choice of Law.** This Agreement shall be governed by the laws of the State of California.
19. **Severability.** If one or more clauses, sentences, paragraphs or provisions of this Agreement is held to be unlawful, invalid or unenforceable, it is hereby agreed by the Parties that the remainder of the Agreement shall not be affected thereby.

ATTACHMENT A
ADDITIONAL INSURED

The following Parties to this Agreement are named as additional insured pursuant to Section 7.b of this Agreement:

- City of Sacramento
- El Dorado Irrigation District
- Placer County Water Agency
- City of Folsom
- City of Roseville
- San Juan Water District
- Citrus Heights Water District
- Fair Oaks Water District
- Orange Vale Water Company
- Carmichael Water District
- Sacramento Suburban Water District
- Golden State Water Company
- California-American Water Company
- Sacramento County Water Agency
- County of Sacramento
- East Bay Municipal Utility District

RESOLUTION NO. 26-04-06

WHEREAS, the **Advanced Metering Infrastructure (AMI)**

platform, originally implemented in 2009 and partially funded by SMUD's SmartSacramento Grid Investment Grant, is comprised of communication infrastructure equipment (smart meters), a communication network, and back-office systems; and

WHEREAS, in 2021 and 2022, as part of SMUD's Next Generation AMI Roadmap, use cases supporting the **2030 Zero Carbon Plan** were analyzed and next generation smart meters were identified as a key enabling technology required to support many of the use cases due to their advanced functionality and additional data granularity; and

WHEREAS, in October 2023, SMUD was awarded a \$50 million grant from the **Department of Energy Grid Deployment Office's (DOE) Grid Resilience and Innovation Partnerships (GRIP)** program, wherein **Itron Networked Solutions, Inc. (Itron)** was a named partner, for new technologies to increase reliability, efficiency, and flexibility of the electric grid; and

WHEREAS, SMUD determined **Itron** is the only metering manufacturer with a commercially available DI-enabled meter and associated DI applications deployed at scale, has the only DI-enabled meter compatible with SMUD's existing **AMI** mesh network and existing back-office system, is a named partner in the **GRIP** grant, and does not have any resellers; and

WHEREAS, by Resolution No. 24-02-09, adopted on February 15, 2024, this Board approved sole source Master Services Agreement No. 4600001835 with **Itron** to purchase hardware, software and professional services to enhance the **AMI** platform in an amount not to exceed \$42,500,000, thus creating a strategic value partnership; and

WHEREAS, funding for software and professional services remain under Master Services Agreement No. 4600001835, but funds for meter purchases have exhausted; and

WHEREAS, a new sole source contract is needed under the umbrella of Master Services Agreement No. 4600001835, which will allow for

distinct management of warehouse inventory separate from software and professional services; and

WHEREAS, the terms and conditions of Master Services Agreement No. 4600001835 will remain applicable to the new sole source contract with no new terms and conditions; and

WHEREAS, the funding under the new sole source contract is solely for operations and does not cover the lifecycle of the remaining legacy meters; and

WHEREAS, it would not be productive or in the best interest of SMUD to advertise for competitive bids for the DI-enabled meters referred to above because they can currently only be obtained from **Itron**; **NOW**, **THEREFORE**,

**BE IT RESOLVED BY THE BOARD OF DIRECTORS
OF THE SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

Section 1. That the Chief Executive Officer and General Manager, or his designee, is authorized on behalf of SMUD to negotiate and execute a sole source contract with **Itron Networked Solutions, Inc.** to purchase smart meters compatible with SMUD's **Advance Metering Infrastructure (AMI)** platform for a period of five years from approximately May 1, 2026, through April 30, 2031, for a not-to-exceed amount of \$40,000,000.

Section 2. The Chief Executive Officer and General Manager, or his designee, is authorized to make future changes to the terms and conditions of the contract that, in his prudent judgment: (a) further the primary purpose of the contract; (b) are intended to provide a net benefit to SMUD; and (c) do not exceed the authorized contract amount and applicable contingencies.

Approved: April 16, 2026

INTRODUCED: DIRECTOR SANBORN				
SECONDED: DIRECTOR FISHMAN				
DIRECTOR	AYE	NO	ABSTAIN	ABSENT
TAMAYO	X			
ROSE	X			
BUI-THOMPSON	X			
FISHMAN	X			
HERBER	X			
KERTH	X			
SANBORN	X			

RESOLUTION NO. 26-04-07

WHEREAS, in September 2025, SMUD issued Request for Proposal RITM0111529 (RFP) to solicit qualified firms to provide environmental and California Environmental Quality Act (CEQA) support services; and

WHEREAS, seven proposals submitted in response to the RFP were evaluated; **NOW, THEREFORE**,

**BE IT RESOLVED BY THE BOARD OF DIRECTORS
OF THE SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

Section 1. As a result of such examination, **Aspen Environmental Group, AECOM Technical Services, Inc., Ascent Environmental, Inc., and GEI Consultants, Inc.** are hereby determined and declared to be the four highest evaluated responsive proposers for environmental and California Environmental Quality Act (CEQA) support services.

Section 2. The Chief Executive Officer and General Manager, or his designee, is authorized, on behalf of SMUD, to award contracts to **Aspen Environmental Group, AECOM Technical Services, Inc., Ascent Environmental, Inc., and GEI Consultants, Inc.** (collectively, the **Contracts**) for environmental and California Environmental Quality Act (CEQA) support services for a three-year period from April 27, 2026, to April 26, 2029, with one optional two-year extension for a total contract aggregate not-to-exceed amount of \$12,000,000 for the **Contracts**.

Section 3. The Chief Executive Officer and General Manager, or his designee, is authorized to make future changes to the terms and conditions of the **Contracts** that, in his prudent judgment: (a) further the primary purpose of

the **Contracts**; (b) are intended to provide a net benefit to SMUD; and (c) do not exceed the authorized contract amounts and applicable contingencies.

Approved: April 16, 2026

INTRODUCED: DIRECTOR SANBORN				
SECONDED: DIRECTOR FISHMAN				
DIRECTOR	AYE	NO	ABSTAIN	ABSENT
TAMAYO	X			
ROSE	X			
BUI-THOMPSON	X			
FISHMAN	X			
HERBER	X			
KERTH	X			
SANBORN	X			

President Tamayo then turned to Discussion Calendar Item 10, to discuss, with possible amendment, Governance Process GP-12, Board Compensation and Benefits.

Matthew Powell, Interim Director, People Services & Strategies, gave a presentation regarding Item 10. A copy of the slides used in his presentation is attached hereto.

No public comment was forthcoming for Discussion Calendar Item 10.

After some discussion, Director Sanborn moved for approval of an increase of 3% or \$335 per day of service effective July 1, 2026, Director Bui-Thompson seconded, and Resolution No. 26-04-08 was approved by a vote of 5-0, with Director Rose abstaining and Director Fishman voting no.

RESOLUTION NO. 26-04-08

**BE IT RESOLVED BY THE BOARD OF DIRECTORS
OF THE SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

This Board approves the revisions to **Governance Process GP-12, Board Compensation and Benefits**, to increase the per day of service sum to \$335.00 effective July 1, 2026, substantially in the form as set forth in **Attachment C**.

Approved: April 16, 2026

INTRODUCED: DIRECTOR SANBORN				
SECONDED: DIRECTOR BUI-THOMPSON				
DIRECTOR	AYE	NO	ABSTAIN	ABSENT
TAMAYO	X			
ROSE			X	
BUI-THOMPSON	X			
FISHMAN		X		
HERBER	X			
KERTH	X			
SANBORN	X			

SMUD BOARD POLICY



Category: Governance Process
Policy No.: GP-12
Title: Board Compensation and Benefits

In keeping with the MUD Act, members of the Board of Directors are entitled to compensation for their service. Specifically:

- a) Each Board member may receive for each attendance at the meetings of the full Board, Board committee meetings, ad hoc committee meetings, publicly noticed SMUD workshops or meetings, other publicly noticed meetings where the Board member is representing the Board, state or federal legislative briefings or meetings where the Board member is representing the Board, meetings with SMUD customers or staff relating to SMUD business, community meetings or events where the Board member is representing SMUD, events where SMUD is being recognized, conferences and organized educational activities, the sum of \$335.00 per day of service. No director may receive compensation for more than ten (10) days in any one calendar month. Campaign and political meetings, events, and fundraisers are not compensable under this policy.
- b) Board member compensation shall be reviewed annually.
- c) Each Board member may also be reimbursed for expenses related to travel, meals, lodging and other actual and necessary expenses incurred in the performance of his or her official duties as described in subsection a). Reimbursement shall be in accordance with Internal Revenue Service regulations as established in Publication 463, or any successor publication.
- d) Each Board member may be reimbursed for computer and other technology purchases, rentals, and refurbishments that will aid them in the performance of their duties pursuant to reimbursement policies applicable to executive and senior leaders.
- e) Compensation forms shall be completed by a Director and distributed to the Board office. The Board shall review and approve compensation and any request for technology reimbursement at a regular Board meeting. Board member compensation, along with any requests for technology reimbursement, shall be placed on the consent calendar at each regular Board meeting, unless a Board member requests that it be placed on the discussion calendar.
- f) SMUD shall provide and contribute payment for health care benefits, equivalent to the contribution made to SMUD employees in the PAS employee group, to any Board member who elects such benefit, and additionally make an annual contribution payment of \$500 to a Flexible Spending Account.
- g) Subject to the applicable tax codes and IRS rules and regulations, and to the extent possible, SMUD shall direct payment to a SMUD defined contribution plan (either a 457(b) plan or a 401(k) plan) for each Director who elects to have such a benefit in the amount of 30% of compensation based on days of service. Directors who elect to receive this benefit must (1) have a SMUD defined contribution plan and (2) direct payment to the defined contribution plan of their choice at initial enrollment and then during (and only during) SMUD's open enrollment period for employee benefits.

Monitoring Method: Board Report

Frequency: Annual

Versioning:

December 19, 2002	Resolution No. 02-12-14	Date of Adoption.
October 16, 2003	Resolution No. 03-10-14	Date of Revision.
December 2, 2004	Resolution No. 04-12-03	Date of Revision.
December 1, 2005	Resolution No. 05-12-10	Date of Revision.
May 17, 2007	Resolution No. 07-05-08	Date of Revision.
July 16, 2009	Resolution No. 09-07-02	Date of Revision.
September 18, 2014	Resolution No. 14-09-07	Date of Revision.
December 20, 2018	Resolution No. 18-12-15	Date of Revision.
December 12, 2019	Resolution No. 19-12-05	Date of Revision.
June 15, 2023	Resolution No. 23-06-02	Date of Revision. (Effective Date = July 1, 2023)
September 21, 2023	Resolution No. 23-09-02	Date of Revision.
February 15, 2024	Resolution No. 24-02-03	Date of Revision.
April 17, 2025	Resolution No. 25-04-02	Date of Revision. (Effective Date = July 1, 2025)
April 16, 2026	Resolution No. 26-04-08	Date of Revision. (Effective Date = July 1, 2026) [Current Policy]

President Tamayo then called for public comment for items not on the agenda.

Nate, on behalf of the McClatchy High School Parent Teacher Student Association, requested the Board to consider financial support of the Sacramento Regional Transit (RT) Ride-Free program due to the current financial crisis the Sacramento Unified School District is facing. He also asked that SMUD participate in a future effort with other local agencies to champion the Ride-Free program and create a sustainable, strategic model.

Scott Slotterbeck requested that the Board look into exploring bringing nuclear energy back to SMUD and to also look into lobbying efforts to repeal outdated state law prohibiting the construction of new nuclear power generation facilities.

President Tamayo noted that the Board had recently engaged in a discussion of the topic and requested staff to provide Mr. Slotterbeck with those materials.

President Tamayo then turned to Directors' Reports.

Director Rose reported on his attendance at the California Municipal Utilities Association (CMUA) conference, his participation in meetings with legislators at the Capitol, and his participation in team meetings in preparation for the Metro Chambers' Capitol-to-Capitol (Cap-to-Cap) program. He concluded by reporting on his observation of crews working during the recent storms and thanked them for their dedicated work.

Director Bui-Thompson reported on her attendance at the Sacramento Kings Sustainability Night and the Rancho Seco Trout Derby. She announced the winners in the following categories:

- Saturday, April 11, 2026
 - Adult Category
 - First Place: Joe McDermid (5.74 lb)
 - Second Place: Karina Martinez (5.56 lb)
 - Third Place: Richard Bolens (5.53 lb)
 - Youth Category
 - First Place: Aiden Garcia (4.15 lb)
 - Second Place: Grace Macharo (3.63 lb)

- Third Place: Adrian Avala (3.6 lb.)
- Kids Category
 - First Place: Arturo Valasco (3.42 lb)
 - Second Place: Eli Garcia (3.37 lb)
 - Third Place: Elijah Drozd (3.22 lb.)
- Sunday, April 12, 2026
 - Adult Category
 - First Place: Brenden Riely (5.89 lb)
 - Second Place: Mike Lane (5.84 lb)
 - Third Place: Ben Riely (5.54 lb)
 - Youth Category
 - First Place: Yusef Mohammed (5.42 lb)
 - Second Place: Isaac Barajas (5.28 lb)
 - Third Place: Aiden Zong (4.38 lb.)
 - Kids Category
 - First Place: Violet Macharo (3.36 lb)

She concluded by congratulating all of the winners.

Director Fishman reported on his attendance at the Shine Awards, his speaking engagement at the Meet SMUD Community Resource Project in Citrus Heights, his attendance at the Coalition for Clean Air's Toast to Clearing the Air event, the United Way United in Purpose Gala, a multi-Chamber mixer for the Greater Arden East Sacramento and Carmichael Chambers of Commerce. He concluded by reporting on his participation in a panel for the *Sacramento Business Journal's* Inclusivity in Business Forum and his attendance at the Hispanic Chamber of Commerce's 54th Annual Salud! Business Awards.

Director Herber reported on her attendance at the State of the City for Elk Grove, the RISE Women in Business speaker event, the Spring Retiree Luncheon, and the 19th Annual Benefit Dinner for the Roberts Family Development Center. She concluded by reporting on the Ad Hoc Committee meeting regarding Strategic Direction SD-7, Environmental Leadership.

Vice President Kerth reported on his attendance at the Shine Awards, his speaking engagements with the River District, the Natomas Chamber of Commerce, and the North Sacramento Chamber of Commerce. He concluded by reporting on his individual speaking engagement, independent of

SMUD, regarding forming an enhanced infrastructure financing district in the North Sacramento community, which he felt would be very beneficial.

Director Sanborn reported on her attendance at the Shine Awards and spoke about the three winners from Ward 7, a discussion she had with a company called Comstock regarding solar panel recycling, her attendance at the Carmichael Chamber of Commerce People of the Year Reception, her participation in a tree planting at Mira Loma High School, and her attendance, along with Vice President Kerth and Director Fishman, at the North Sacramento Chamber of Commerce 20th Annual Salute to Democracy Government Relations Breakfast. She concluded by reporting that SMUD had hosted her final class for the American Leadership Forum and thanked staff for their assistance.

President Tamayo started his report in Spanish and noted he would be starting his comments in Spanish to emphasize the importance of the Latino community. He then reported on his participation in a Meet SMUD event at La Familia Counseling Center, the Hispanic Chamber of Commerce Dia de la Tierra, his attendance at the Shine Awards, and his speaking engagement at the Boards and Commissioners Leadership Institute. He concluded by reporting on his attendance at the Trout Derby.

Paul Lau, Chief Executive Officer and General Manager, reported on the following items:

- 1) **Storm Report.** It has been nice to see some better weather than what we experienced last weekend. Last weekend's storm packed a powerful punch that was not in the weather forecast. High winds and lightning caused damage and scattered outages across our service area. SMUD teams immediately mobilized and worked safely and quickly to get the power back on for our customers and community. At the height of the storm, we had 30,000 customers out, which was at 7:30 p.m. on Saturday night. By 10:00 p.m., we had 85% of the customers back on. By 7:00 a.m. the next morning, we had 98% of the customers back on. We had about 450 left by Sunday morning, and they

were all restored by Sunday. From Distribution System Operations (DSO) switching to troubleshooters assessing the damage, to taking customer calls, tagging and assigning the jobs, making repairs, restoring power and updating our customers and community on our progress through the media and social media, thank you to everyone who had a hand in responding to last week's storm.

2) **Trout Derby.** Despite the stormy weekend, our annual Trout Derby was another great success this year. Each April, we host this two-day event that attracts hundreds of experienced and novice anglers of all ages to Rancho Seco for fishing fun and great prizes! We were glad to see nearly 350 anglers show up from across the region to fish and win great prizes. In preparation, we stocked Rancho Seco Lake with 7,500 pounds of trout, including trophy-sized fish. The heaviest fish caught at the derby weighed in at six pounds. Thank you to President Tamayo and Board Member Nancy Bui-Thompson for being there to support the event and celebrate the great catches.

3) **Earth Month.** This month we are having a great time celebrating Earth Month at SMUD and in our community. It is a great time to raise awareness and advocate for change around the issues that impact our planet the most. Teams across SMUD are coordinating dozens of events, activities and outreach in the community and for our employees. We are partnering with community organizations to demonstrate our commitment to a greener, cleaner planet and encouraging our customers and community to do what they can to help make a difference for a clean energy future. Of the 13 Earth Month events we are participating in, a big one is the Environmental Council of Sacramento (ECOS) 2026 Sacramento Earth Day. We will have a big SMUD presence with a Trade Show booth

providing information on our 2030 Zero Carbon Plan and handing out native plant seeds. The Greenergy team will be there, and there will be an electric vehicle (EV) Ride and Drive. Employees will celebrate on Earth Day, on April 22, with bike tune ups from Sacramento Area Bicycle Advocates. There will also be information and tips about shade trees and shrubs from the Sacramento Tree Foundation, e-bike test rides and a special guest speaker who will share inspiration and information to support biodiversity.

- 4) **Awards.** Last week, at the Sacramento Hispanic Chamber of Commerce Salud! Awards, I was humbled and honored to be a President's Award Honoree. I am committed to the Chamber's mission to foster inclusive economic development and deeply appreciate this award.
- 5) **Board Video.** Tonight's video is a comprehensive showcase of the significant upgrades we continue to make in the Eldorado National Forest as part of our 50-year Federal Energy Regulatory Commission (FERC) license to operate our hydro facilities in the Upper American River Project (UARP). Over the last decade, we have made significant improvements to campgrounds, picnic areas, boat launch areas, and hiking and biking trails, primarily in the Crystal Basin. In partnership with the U.S. Forest Service, we are committed to enhancing the overall experience for the local community, our customers and national visitors alike.

President Tamayo requested the Summary of Board Direction, but there were no items.

President Tamayo then stated that Transmission Planning & Operations Director Chris Hofmann passed away on March 28 from an ongoing illness and is survived by his wife, Caitlin, his two daughters, Annelise Morgan and Phoebe Grace, and his son, Khyber Fox. He stated

Chris joined SMUD in 2024 as the Director of Transmission Planning & Operations (TP&O), coming from Salt River Project in Arizona. He noted that at SMUD, Chris led the teams responsible for developing short- and long-term plans for our transmission grid, ensuring system reliability and regulatory compliance, and operating the assets that remotely control fuel delivery, generation, extra-high-voltage transmission and gas pipelines feeding our Distribution System. TP&O also operates the Balancing Authority of Northern California (BANC). He stated Chris's work and influence extended well beyond SMUD and that throughout the industry, he was regarded as a trusted expert and valued collaborator whose impact resulted in many meaningful relationships. President Tamayo requested a moment of silence in honor of Chris.

No further business appearing, President Tamayo adjourned the meeting in memory of Chris Hofmann at 7:15 p.m.

Approved:

President

Secretary

Exhibit to Agenda Item #10

Discuss, with possible amendment, **Governance Process GP-12, Board Compensation and Benefits.**

Board of Directors Meeting

Thursday, April 16, 2026, scheduled to begin at 6:00 p.m.

Auditorium, SMUD Headquarters Building

GP-12: Board Compensation and Benefits

GP-12 sets forth Board's policy for Board member compensation and benefits:

- Based on Municipal Utility District (MUD) Act section 11908.1 "...annual adjustment of not more than five percent for each calendar year following the operative date of the last adjustment."
- Ability to increase amount no greater than \$341.00 (not to exceed 10 days of service per month)
- Prohibited from automatically adjusting compensation every year

Current Compensation:

- Board last updated per day compensation effective July 2025 to \$325.00 per event and meeting attendance (max of \$3,250 per calendar month)

Compensation Options

Starting Point of \$325.00:

- 1) Adjustment based on annual Consumer Price Index (CPI) for the period December 2024 to December 2025 (2.7%): **\$334.00**
- 2) Adjustment of \$10 (3%): **\$335.00**
- 3) Adjustment of \$13 (4%): **\$338.00**
- 4) Adjustment of \$16 (5%): **\$341.00**
- 5) No adjustment: **\$325.00**

SSS No. LEG 2026-0057

BOARD AGENDA ITEM

STAFFING SUMMARY SHEET

Committee Meeting & Date

N/A

Board Meeting Date

May 21, 2026

TO					TO				
1.					6.				
2.					7.				
3.					8.				
4.					9.	Legal			
5.					10.	CEO & General Manager			

Consent Calendar	X	Yes	No If no, schedule a dry run presentation.	Budgeted	X	Yes	No (If no, explain in Cost/Budgeted section.)		
FROM (IPR) Laura Lewis				DEPARTMENT Executive Office			MAIL STOP B308	EXT. 6123	DATE SENT 04/28/26

NARRATIVE:**Requested Action:** Approve proposed revisions to **Strategic Direction SD-6, Safety Leadership.**

Summary: At the April 7, 2026, Policy Committee, staff provided a recommendation on proposed policy revisions to Strategic Direction SD-6, Safety Leadership, to update goals and clarify language. The Board reviewed the proposed revisions and directed staff to add the item to the Consent Calendar for the regular May Board of Directors meeting.

Board Policy: Strategic Direction SD-6, Safety Leadership
(Number & Title)

Benefits: Provides the Board of Directors with an opportunity to review and update the Strategic Direction and make policy revisions, as necessary.

Cost/Budgeted: N/A

Alternatives: Remove from May Consent Calendar and agendaize for a different time.

Affected Parties: Board Members, Board Office, Energy Delivery & Operations

Coordination: Organization-wide

Presenter: Laura Lewis, Chief Legal & Government Affairs Officer

Additional Links:

SUBJECT

Approve Proposed Revisions to Strategic Direction SD-6, Safety Leadership

ITEM NO. (FOR LEGAL USE ONLY)

6

ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.

SMUD BOARD POLICY



Category: Strategic Direction
Policy No.: SD-6
Title: Safety Leadership

Creating a safe environment for employees and the public is a core value of SMUD.

Through best practice methods and continuous improvement, SMUD will be recognized as a leader in employee safety while also assuring the safety of the public related to SMUD operations and facilities. SMUD commits to a proactive approach, including the active involvement of SMUD leadership, employees, contractors, and the community, as well as comprehensive monitoring of organizational and public safety performance.

Therefore, SMUD will continue to improve safety results to:

- a) Workplace Safety
 - i) Reduce SMUD's ~~injury severity~~ severe safety incidents to ~~13 or less than 0~~ by ~~2025~~ 2030, as measured by OSHA's Days Away Restricted Time (DART), ~~a rate that demonstrates top quartile safety performance for similar size utilities using the Bureau of Labor Statistics (BLS) work-related safety data.~~
 - ii) Provide timely, quality health care for injured employees that aids their recovery while maintaining positive financial performance of the workers' compensation program.
- b) Contractor Safety
 - i) Support contractors to reduce and eliminate potential hazards for Serious Injuries and/or Fatalities (SIF) when conducting high risk work.
- c) Public Safety
 - i) Track and report ~~injuries to~~ incidents involving the public related to SMUD operations or facilities.
 - ii) Implement measures to protect the public from injuries related to SMUD operations or facilities.

Monitoring Method: CEO Report

Frequency: Semi-Annual

Versioning:

August 21, 2003	Resolution No. 03-08-12	Date of Adoption.
October 16, 2003	Resolution No. 03-10-14	Date of Revision.
February 3, 2005	Resolution No. 05-02-06	Date of Revision.
November 15, 2007	Resolution No. 07-11-12	Date of Revision.
December 20, 2012	Resolution No. 12-12-11	Date of Revision.
August 21, 2014	Resolution No. 14-08-05	Date of Revision.
April 15, 2021	Resolution No. 21-04-02	Date of Revision.
September 21, 2023	Resolution No. 23-09-02	Date of Revision. [Current Policy]
May 21, 2026	Resolution No. 26-05-XX	Date of Revision. [Current Policy]

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September 21, 2023	Resolution No. 23-09-02	Date of Revision.
May 21, 2026	Resolution No. 26-05-XX	Date of Revision. [Current Policy]

RESOLUTION NO. _____

**BE IT RESOLVED BY THE BOARD OF DIRECTORS
OF THE SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

This Board approves the revisions to **Strategic Direction SD-6, Safety Leadership**, substantially in the form as set forth in **Attachment ____**.

SSS No. PSS 26-004

BOARD AGENDA ITEM

STAFFING SUMMARY SHEET

Committee Meeting Date Policy – 05/13/26
Board Meeting Date May 21, 2026

TO					TO							
1.	Claire Rogers				6.	Farres Everly						
2.	Matthew Powell				7.							
3.	Jose Bodipo-Memba				8.							
4.	Suresh Kotha				9.	Legal						
5.	Brandy Bolden				10.	CEO & General Manager						
Consent Calendar		☒	Yes	No <i>If no, schedule a dry run presentation.</i>		Budgeted		☒	Yes	No <i>(If no, explain in Cost/Budgeted section.)</i>		
FROM (IPR) Matthew Powell					DEPARTMENT People Services & Strategies					MAIL STOP B251	EXT. 5371	DATE SENT 04/17/26

NARRATIVE:	
Requested Action:	Accept the monitoring report for Strategic Direction SD-8, Employee Relations.
Summary:	This presentation provides the Board with the annual monitoring of Strategic Direction SD-8, Employee Relations, and confirms that SMUD is developing and maintaining a high quality, inclusive workplace that engages and inspires employees to commit to SMUD's purpose, vision, and values.
Board Policy: <i>(Number & Title)</i>	Strategic Direction SD-8, Employee Relations
Benefits:	Provide the Board and Executive staff with an overview of the Board Policy and give them an opportunity to ask questions, make corrections, additions or changes, if necessary.
Cost/Budgeted:	Contained in the budget for internal labor.
Alternatives:	Provide via written report through the Chief Executive Officer and General Manager.
Affected Parties:	All SMUD employees
Coordination:	People Services & Strategies; DEIB, Learning, & Sustainable Communities
Presenter:	Matthew Powell, Manager, Classification, Compensation and Performance Dr. Markisha Webster, Director, DEIB, Learning, & Sustainable Communities

Additional Links:

SUBJECT SD-8, Employee Relations Board Monitoring Report	ITEM NO. (FOR LEGAL USE ONLY) <b style="color: blue; font-size: 1.5em;">7

ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.

SACRAMENTO MUNICIPAL UTILITY DISTRICT

OFFICE MEMORANDUM

TO: Board of Directors

DATE: April 27, 2026

FROM: Claire Rogers *CR 4/27/26*

**SUBJECT: Audit Report No. 28008025
Board Monitoring Report; SD-8: Employee Relations**

Internal Audit Services (IAS) received the SD-8 *Employee Relations* 2025 Annual Board Monitoring Report and performed the following:

- Selected a sample of statements and assertions in the report for review.
- Compared sample to the corresponding supporting documentation to identify potential discrepancies.

All items sampled within the SD Report aligns with the supporting documentation provided at the time of review.

CC:

Paul Lau

Board Monitoring Report 2025

SD-8, Employee Relations



1. Background

Strategic Direction 8 (SD-8) states that:

Developing and maintaining a high quality, diverse and inclusive workplace that engages and inspires employees to commit to SMUD's purpose, vision and values is a core value of SMUD.

SMUD is committed to diversity and inclusion and will foster and support a workplace that values employees representing a variety of backgrounds, including but not limited to, race, ethnicity, gender, gender identification and/or expression, sexual orientation and identification, national origin, age, physical abilities, veteran status, socio-economic status, life experiences, talents, and thinking styles.

Therefore:

- a) SMUD shall attract and retain a highly qualified and diverse workforce.
- b) SMUD shall promote inclusion and diversity and engage its workforce in activities that demonstrate and support inclusion and diversity across the organization.
- c) SMUD shall engage its workforce in personal and professional development.
- d) SMUD's percentage of engaged employees as measured through the Engagement Index shall exceed 80%.
- e) SMUD shall use a broad mix of communication and outreach channels to ensure its recruitment activities reflect the diversity of the communities it serves.
- f) SMUD shall maintain and communicate written policies that define procedures and expectations for staff and provide for effective handling of grievances.
- g) Annually, and consistent with State and Federal law, the Board shall receive a report detailing the demographics and trends of the SMUD workforce, the available workforce, and the Sacramento region. The report shall also provide information on veterans as a part of SMUD's workforce.

2. Executive Summary

SMUD is in full compliance with SD-8, Employee Relations.

SMUD is thoughtfully evolving how we attract, retain, engage, and develop our employees while balancing the need for agility, stability, and care. After several years of strengthening our people strategies through improved data, intentional partnerships, and sustained investment, the 2025 outcomes in this report reflect steady progress and resilience. Despite ongoing complexities in the broader political and economic landscapes, our programs continue to foster engagement, support development, and reinforce SMUD's reputation as an employer of choice.

SD Support (Program, Policy, Procedure or Initiative)	SD Requirement(s)	Purpose	Outcome	Notes
Education Outreach	a) Attract and retain qualified, diverse workforce b) Promote and engage employees in inclusion, diversity e) Broad mix of recruiting communication and outreach	Train future energy leaders; increase STEM awareness and curiosity; engage the community in SMUD's 2030 Zero Carbon Plan; promote new tech/SMUD programs; increase customer engagement and value	Engaged 25,506 educators, students, and families in learning about SMUD's Zero Carbon effort and related energy industry careers	We engaged 23,629 students in 2024 and now include educators and families in our reporting to better capture all the community members learning about zero carbon.
Career Ambassador Program	a) Attract and retain qualified, diverse workforce b) Promote and engage employees in inclusion, diversity e) Broad mix of recruiting communication and outreach	Increase future workforce talent while simultaneously engaging employees through early outreach & connection with future pipeline (K-12, college, and community)	Reached 8,624 students and community members at 107 Career Ambassador outreach events (105 in-person, 2 virtual).	Down from 12,659 members and 147 total events in 2024. Staff saw reduced attendance at college events, as well as fewer virtual event opportunities (18 in 2024). They also prioritized events with greater strategic alignment and meaningful exchanges within the community.
Talent Acquisition	a) Attract and retain qualified, diverse workforce b) Promote and engage employees in inclusion, diversity e) Broad mix of recruiting communication and outreach	Attract, identify, secure, and retain talent that enables SMUD to deliver on its strategic directives	Managed 590 hiring requisitions, screening a total of 39,611 applications - 5,592 internal applications - 34,019 external applications	Applications screened increased by 41% and internal applications more than doubled (2,488 in 2024).
Internships	a) Attract and retain qualified, diverse workforce b) Promote and engage employees in inclusion, diversity e) Broad mix of recruiting communication and outreach	Strengthen talent pipeline by immersing students of varied backgrounds in SMUD's culture and careers	5,126 college intern applicants, 85 college interns hired 250 high school intern applicants, 12 high school interns hired	Increased college intern hires (up from 76 in 2024) High school intern hires remained steady (13 in 2024)

Regional Workforce Development	a) Attract and retain qualified, diverse workforce b) Promote and engage employees in inclusion, diversity e) Broad mix of recruiting communication and outreach	Develop workforce training and partnerships to support readiness and skills for a zero carbon economy; help close economic disparity gaps by creating equitable access to resulting economic growth	Partnered with 44 community organizations to deploy workforce development and training, reaching 7,787 youth & adults and training 4,012 in work-readiness and technical skills. Placed 834 trainees into new careers	Partnerships prioritized utility, trades, and clean energy-related training programs that aligned with SMUD's zero-carbon plan while still balancing the need to support holistic economic growth and diverse career pathways.
Skilled Trades Apprenticeship Programs	a) Attract and retain qualified, diverse workforce c) Workforce personal and professional development	Engage SMUD employees in personal and professional development through formal apprenticeship	Managed training plans, on-the-job training hours, and classroom instruction for more than 125 apprentices, 32 of which were new in 2025 - 5 Lineworkers - 4 Cable Splicers - 6 Electrical Technician - 1 Engineering Designer - 3 Hydro High Voltage Electricians - 2 Hydro Plant Mechanics - 2 Hydro Plant Operators - 1 Hydro Elec Tech - 8 High Voltage Electricians	Continued to increase apprenticeships in 2025 (compared to 110 in 2024), necessitated by industry trends and successful workforce planning efforts.
Corporate Learning & Development Curriculum	a) Attract and retain qualified, diverse workforce b) Promote and engage employees in inclusion, diversity c) Workforce personal and professional development d) Employee engagement	Develop skills and leadership competencies that will support SMUD's current and future business strategy	Employees averaged 46 hours of training throughout 2025 - 11 hours of mandatory training - 35 hours of non-mandatory training	Previous reporting reflected calculations for one-day classes totaling 24hrs instead of 8hrs. With the implementation of more accurate tracking and reporting, this year's totals reflect a truer baseline compared to 76 average hours in 2024.

Internal & External Leadership Programs	a) Attract and retain qualified, diverse workforce b) Promote and engage employees in inclusion, diversity c) Workforce personal and professional development d) Employee engagement	Provide experiential learning opportunities to develop leadership, and support collaboration and philanthropy in the community	37 employees completed or graduated from 13 different local and regional leadership development programs	Up from 29 employees in 2024. NextGen Empower U and Leadership Citrus Heights were added as additional development opportunities in 2025, and SMUD's Field Leader Training is now accounted for among graduates.
Education Assistance	a) Attract and retain qualified, diverse workforce c) Workforce personal and professional development d) Employee engagement	Support employee continued education to attract & retain a highly qualified workforce	70 employees used the Education Assistance Tuition Reimbursement (EATR) program	Down from 99 employees in 2025. Four employees earned their Masters degree; six earned their Bachelors. We're partnering with Career Development & Learning to support program utilization.
Employee Engagement	a) Attract and retain qualified, diverse workforce b) Promote and engage employees in inclusion, diversity d) Employee engagement	Create an environment where all employees feel psychologically safe and a sense of belonging	99% of leaders developed action plans in response to 2024 Employee Engagement Survey feedback	The top action plan themes were: process improvement, communication, growth & development, cross-functional collaboration, and team engagement
Employee Resource Groups (ERGs)	b) Promote and engage employees in inclusion, diversity c) Workforce personal and professional development d) Employee engagement	Contribute to an inclusive work culture by creating a sense of community and promoting education and awareness in alignment with SMUD's mission and values and our Inclusion Policy	63 ERG events attended by an estimated 1,150 employees to increase cultural awareness, foster a sense of support and belonging, and promote employee engagement	Up from 47 events in 2024. Participation increased by 150+ employees. Events focused on member participation, cultural awareness, belonging, and engagement.
Code of Business Ethics and Employee Conduct	a) Attract and retain qualified, diverse workforce d) Employee engagement f) Maintain and communicate policies re: staff expectations, grievances	Equip employees with an easy-to-read explanation of SMUD's values and expectations for employee behavior	100% of all employees that report to SMUD campuses received and acknowledged code of ethics and conduct	Code supplements SMUD's state law-mandated Conflict of Interest Code

Workforce Demographics Reporting	g) Reporting on demographics, SMUD and regional workforce trends, veterans	Provide informational update on workforce demographics	Identify and report on trends and ongoing efforts for a high quality, diverse and inclusive workforce	See SD-8 appendix for detailed reporting

3. Additional Supporting Information

Please see attached Appendix for additional information related to the SD-8 metrics.

4. Challenges

We continue to see strong engagement across our workforce programs, with employees actively participating in continuous learning, leadership development, and DEIB initiatives that support a culture of belonging and growth. At the same time, we're seeing broader external trends impact our programming in subtle ways: fewer partner events and attendance, fewer employees choosing to leverage SMUD benefits to pursue higher education, and benchmarking remains complex as available standards continue to lag behind the more contemporary workforce data we track. Even within this context, increased interest from both internal and external applicants reinforces our position as an employer of choice, reflecting the value of the experiences and opportunities we provide.

5. Recommendations

As reflected in this report, SMUD has achieved the goals set forth in SD-8 for ensuring SMUD develops and maintains a high quality, inclusive workplace that engages and inspires employees to commit to SMUD's purpose, vision, and values.

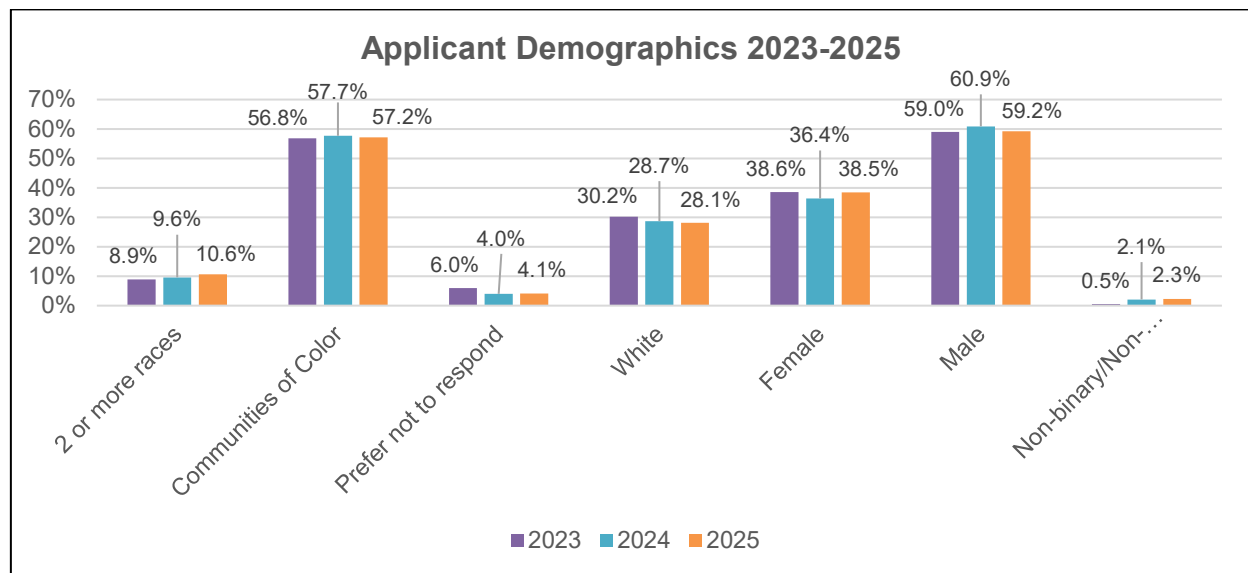
It is recommended the Board accept the monitoring report for Strategic Direction 8.

Appendix

Recruitment

The Talent Acquisition team partnered with hiring managers to conduct a total of 531 hiring consultations in 2025. Structured consultations for all processes and a clear recruitment process contributed to maintaining or even reducing hiring cycle times despite several senior leader recruitments throughout the year. These leadership recruitments include extensive consulting and collaborative planning to ensure a thorough search for the right talent.

In addition to traditional email blasts, job board postings, social media ads, and internal employee communication channels, we continued to leverage our third-party software solution Circa to efficiently advertise jobs and internships to partners, schools, and community organizations within a 150-mile radius of SMUD. Applicant demographics held relatively steady compared to 2024, with slight increases in 2 or More Races, Prefer Not to Respond, Female, and Non-Binary/Non-Conforming categories.



Early Talent Programs

We continue to collaborate with local colleges and high schools to expand outreach and create clear pathways into the utility sector. We reached 1,070 students after partnering with 10 colleges and universities in 2025. This past year, we streamlined oversight of the Career Ambassador program and appointed a single coordinator, supporting greater strategic alignment. We overhauled the program's strategic plan to prioritize attending events that afforded meaningful exchanges with the community. And with the help of Circa to supplement our outreach efforts, SMUD fielded 5,300+ college and high school intern applications for 97 coveted spots.

Examples of contributions made by the most recent cohort of interns include:

- Completing AutoCAD engineering drawings for construction projects
- Supporting SAP Service Cloud data integrity
- Conducting grid evaluations for commercial electrification projects

- Creating a centralized nonprofit database of contacts
- And facilitating trades education for the Language Academy of Sacramento

Diversity, Equity, Inclusion & Belonging (DEIB)

SMUD Employee Resource Groups (ERGs) are voluntary, employee-led groups whose aim is to enhance diversity, equity, inclusion, and belonging within our workforce. ERGs are for all employees and are formed around groups with common identities and characteristics, which can include, but are not limited to, protected classes or other underrepresented groups determined by SMUD's demographic and employment data.

Current ERGs include:

- Black Employee Resource Group (BERG)
- Asian Pacific Islander (GRAIN ERG)
- Latinos Unity Network for Action (LUNA)
- Military Employee Resource Group (MERG)
- People Reaffirming Inclusion Diversity and Equality (PRIDE)
- Women's Employee Resource Group (WERG)
- Emerging Professionals Resource Group (YP)
- Parents ERG
- Allies and Diverse Abilities Partnering Together (ADAPT)
- Men's ERG

There were several notable events in 2025:

- 2nd Annual Diversity Day ERG Recruitment Fair was attended by 220 employees with over 70 employees signing up to be new members on at least one or more ERGs
- 2nd Annual ERG Leadership Retreat attended by 45 employees and several senior leaders
- Two community ERG Summits, where SMUD presented ERG insights and best practices to 200 community ERG leaders
- Two workforce development workshops where BERG leaders partnered with Talent Acquisition to connect with 43 community members

Employee Engagement Survey

SMUD conducts routine engagement surveys to ensure we're continuing to cultivate a diverse and engaged workforce. The last survey, conducted in fall of 2024, showed notable improvements in: employee growth and development; employees experiencing trust and respect from their supervisors; and DEIB questions related to respectful interactions, inclusive environments, and belonging. Amid a year filled with tremendous change, we saw two statistically significant declines in scores for: employees feeling cared about as a person; and feeling like senior leaders care about the employee experience.

SMUD committed to addressing these opportunities by establishing a 2025 enterprise goal for all leaders to complete engagement action plans. A total of 343 team-level plans were created in January of 2025 and nearly all leaders (99%) shared their progress on those plans throughout the year.

At the organizational level, we combined feedback from the engagement survey, 11

employee listening sessions, and leader surveys to focus on two processes key to SMUD's culture and collaboration:

- Procurement Process – We formed a Tiger Team of 20 employees aimed at improving training and processes, accessibility of information and guidelines, and transparency of status and expected timelines.
- Performance Management Program – With the help of an Artificial Intelligence (AI) experiential consultant, we implemented technology and training to support leaders with AI-assisted language modeling and insights.

Leadership Development

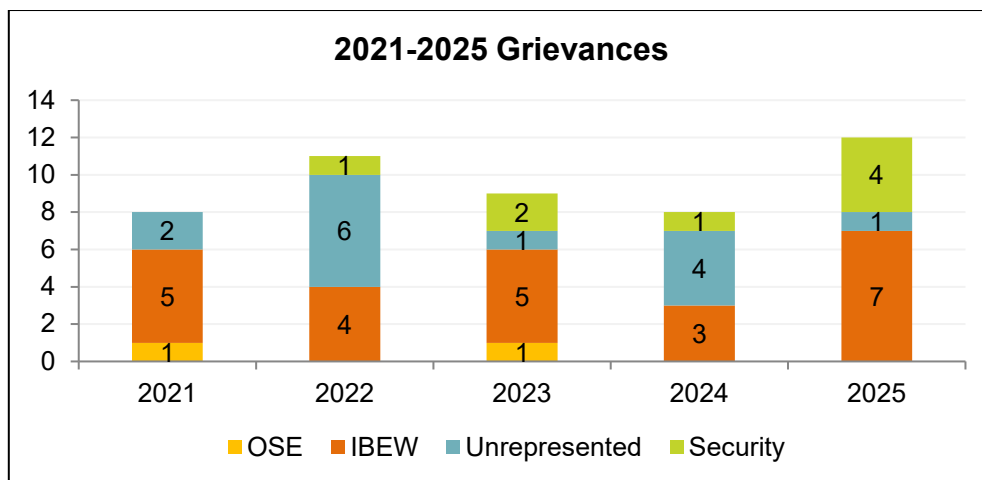
To provide experiential learning opportunities that develop leadership, and support collaboration and philanthropy in the community, SMUD currently supports 13 different leadership programs: Nehemiah Emerging Leaders, Western Energy Institute (WEI) Business Acumen for Emerging Leaders, WEI Utility Business Essentials, Asian Pacific Chamber Catalyst program, Leadership Rancho Cordova program, Leadership Elk Grove, Leadership Sacramento, Creciente Leadership Program (formerly Nueva Epoca), Leadership Folsom, NextGen Empower U, Leadership Citrus Heights, and SMUD's own Field Leader Training and Building Leadership Talent programs. A selection process is conducted annually to match applicants with a program that effectively meets their development needs and SMUD's business objectives, and individuals that sit on selection panels are required to complete unconscious bias training.

Wellness

SMUD continues to invest in wellness offerings that support the physical, mental, social, and financial wellbeing of our employees. The Wellness Centers at both the Headquarters and East Campus Operations Center locations are available at no cost and hours expanded to seven days a week in 2025, serving more than 1,150 employees. SMUD also launched a new Health Assessment Program through WellRight. We saw participation more than double, with 562 employees enrolled in the 2025 program.

Conduct & Grievances

In addition to SMUD's Code of Business Ethics and Employee Conduct, the Employee and Labor Relations teams provide daily guidance and counsel to ensure all employees (represented and unrepresented) understand SMUD policies and procedures, and their responsibilities with respect to the Code of Ethics. The teams resolved a total of 12 grievances in 2025, up from 8 in 2024.



SMUD Workforce Demographics

The following *SD-8 Total Workforce Demographics* and *SD-8 Veteran Demographics* tables are consistent with federally mandated reporting and include benchmarks for Sacramento's available workforce and total population. Reporting excludes casual positions and members of the Board of Directors.

The 2024 SMUD demographics, shown here and in subsequent tables, were updated this year upon learning that last year's data was extracted from a field in our workforce technology that is now decommissioned. This issue has been resolved, and we now have 2 years of expanded workforce demographics for a closer look at the makeup of our workforce.

As a reminder, demographic shifts are the cumulative result of several factors including new hires, separations, retirements, and ongoing employee updates to their demographic identifiers in SMUD's workforce technology.

SD-8 Total Workforce Demographics 2021-2025

	Gender		Race/Ethnicity						
Calendar Year	Male	Female	White	Black or African American	Hispanic or Latino	Asian	Native Hawaiian or Pacific Islander	American Indian or Alaska Native	2 or more Races
2021	66%	34%	57%	7%	15%	15%		1%	5%
2022	67%	33%	56%	7%	16%	15%		1%	5%
2023	66%	34%	55%	7%	16%	16%		1%	5%
2024	65.2%	34.4%	51.8%	6.9%	15.9%	14.2%	0.9%	0.6%	5.7%
2025	64.8%	34.8%	50.4%	6.6%	16.7%	14.0%	1.1%	0.6%	6.3%
Sac Pop. 2024*	49.2%	50.8%	39.0%	8.8%	24.6%	18.7%	1.1%	0.2%	7.6%
Sac Civ. 2024**	52.1%	47.9%	39.7%	8.2%	24.6%	19.3%	-	-	-

*Total Sacramento County Population data derived from 2024 American Community Survey, 1-Year Estimate.

**Sacramento County Civilian labor force data derived from 2024 American Community Survey, 1-Year Estimate. Data represents residents aged 16 and older, and excludes houseworkers, unpaid volunteers, institutionalized individuals, and U.S. Armed Forces Active Duty.

Benchmark data was derived from the 2024 American Community Survey which does not include Middle Eastern or North African. Additionally, there is not complete data available for Native Hawaiian or Pacific Islander; American Indian or Alaska Native; or 2 or More Races for the civilian labor force. "Prefer Not to Respond" and "Non-binary/Non-confirming" responses are excluded from this table, as federal reporting requirements do not recognize these categories. Totals may not equal 100%.

SMUD's Veteran Workforce

Veterans are a small but important part of SMUD's workforce. In 2025, we attended 4 vet-specific events to help them with tools to enter civilian careers, including the California Employment Development Department's VetNet Series and Sacramento Veteran Employee Resource Groups. We leveraged the Circa platform to complete outreach to 602 veteran organizations last year, sending more than 4,100 email announcements about SMUD jobs. We ultimately hired 8 veterans.

SD-8 Veteran Demographics 2021-2025

Calendar Year	Gender		Race/Ethnicity						
	Male	Female	White	Black or African American	Hispanic or Latino	Asian	Native Hawaiian or Pacific Islander	American Indian or Alaska Native	2 or more Races
2021	91%	9%	58%	6%	13%	13%		0%	9%
2022	90%	10%	56%	6%	13%	15%		0%	10%
2023	91%	9%	56%	5%	12%	16%		0%	11%
2024	82.3%	16.9%	46.2%	6.9%	13.8%	12.3%	3.1%	0.8%	11.5%
2025	83.8%	15.4%	47.7%	6.2%	15.4%	10.8%	3.1%	0.0%	11.5%
CA Vets*	89.3%	10.7%	57.0%	10.0%	14.4%	7.9%	0.5%	1.0%	9.3%

"Prefer Not to Respond" and "Non-binary/Non-confirming" responses are excluded from this table, as federal reporting requirements do not recognize these categories. Totals may not equal 100%.

*Prefer Not to Respond responses

**CA Vets VetPop2023 State Race/Ethnicity Data, 8L does not include Middle Eastern or North African as a race/ethnicity category

Workforce Turnover

SMUD's turnover remained steady at 5.2% in 2025 compared to 5.1% in 2024 and continues to rank below the industry benchmark of 8.4%.

Completing the Employee Lifecycle

To help identify strengths and opportunities across the organization, we continued the voluntary voice-to-voice exit interviews for departing employees. In 2025 we interviewed 63 employees who elected to share feedback on their experiences at SMUD.

- 100% of all exiting employees would recommend SMUD to a friend or colleague.
- 89% of exiting employees would consider returning to SMUD if the conditions were right.
- 8% of employees specified that they were leaving because they were dissatisfied with some part of their job - either promotional opportunities, remote work limitations, or work/life balance in their specific job.

Supplemental Reporting for an Inclusive Culture

Thanks to the advanced reporting capabilities of our workforce software, SMUD is able to embrace practices that align with contemporary standards for a diverse and highly qualified workforce. This includes the additional monitoring and reporting of data for Non-binary/Non-conforming, Middle Eastern or North African, and for those who prefer not to respond to Gender or Race/Ethnicity questions. SMUD recognizes the importance of collecting data that reflects a wider range of identities and preferences.

Supplemental Total Workforce Demographics 2024-2025

Calendar Year	Gender				Race/Ethnicity								
	Male	Female	Non-binary/ Non-conforming	Prefer Not to Respond	White	Black or African American	Hispanic or Latino	Asian	Native Hawaiian or Pacific	American Indian or Alaska Native	Middle Eastern or North African	2 or more Races	Prefer Not to Respond
2024	65.2%	34.4%	0.1%	0.3%	51.8%	6.9%	15.9%	14.2%	0.9%	0.6%	0.2%	5.7%	3.9%
2025	64.8%	34.8%	0.1%	0.3%	50.4%	6.6%	16.7%	14.0%	1.1%	0.6%	0.3%	6.3%	4.0%
Sac Pop. 2024*	49.2%	50.8%	-	-	39.0%	8.8%	24.6%	18.7%	1.1%	0.2%	-	7.6%	-
Sac Civ. 2024**	52.1%	47.9%	-	-	39.7%	8.2%	24.6%	19.3%	-	-	-	-	-

*Total Sacramento County Population data derived from 2024 American Community Survey, 1-Year Estimate.

**Sacramento County Civilian labor force data derived from 2024 American Community Survey, 1-Year Estimate. Data represents residents aged 16 and older, and excludes houseworkers, unpaid volunteers, institutionalized individuals, and U.S. Armed Forces Active Duty.

Benchmark data was derived from the 2024 American Community Survey which does not include fields for Non-binary/Non-conforming, Prefer Not to Respond, or Middle Eastern or North African. Additionally, there is not complete data available for Native Hawaiian or Pacific Islander; American Indian or Alaska Native; or 2 or More Races for the civilian labor force.

Supplemental Veteran Demographics 2024-2025

Calendar Year	Gender				Race/Ethnicity								
	Male	Female	Non-binary/ Non-conforming	Prefer Not to Respond	White	Black or African American	Hispanic or Latino	Asian	Native Hawaiian or Pacific Islander	American Indian or Alaska Native	Middle Eastern or North African	2 or more Races	Prefer Not to Respond
2024	82.3%	16.9%	0.0%	0.8%	46.2%	6.9%	13.8%	12.3%	3.1%	0.8%	0.0%	11.5%	5.4%
2025	83.8%	15.4%	0.0%	0.8%	47.7%	6.2%	15.4%	10.8%	3.1%	0.0%	0.0%	11.5%	5.4%
CA Vets*	89.3%	10.7%	0.0%	0.0%	57.0%	10.0%	14.4%	7.9%	0.5%	1.0%	-	9.3%	0.0%

*CA Vets VetPop2023 State Race/Ethnicity Data, 8L does not include Middle Eastern or North African as a race/ethnicity category

Supplemental Workforce Demographics by Employee Level 2025

Level	Gender				Race/Ethnicity								
	Male	Female	Non-binary/ Non-conforming	Prefer Not to Respond	White	Black or African American	Hispanic or Latino	Asian	Native Hawaiian or Pacific Islander	American Indian or Alaska Native	Middle Eastern or North African	2 or more Races	Prefer Not to Respond
Execs	66.7%	33.3%	0.0%	0.0%	33.3%	11.1%	0.0%	22.2%	11.1%	0.0%	0.0%	22.2%	0.0%
Directors	60.6%	39.4%	0.0%	0.0%	54.5%	12.1%	3.0%	18.2%	3.0%	0.0%	0.0%	6.1%	3.0%
Managers	61.6%	38.4%	0.0%	0.0%	66.1%	2.7%	8.9%	12.5%	0.0%	0.9%	0.0%	7.1%	1.8%
Supervisors	63.1%	36.9%	0.0%	0.0%	55.9%	7.6%	11.9%	17.4%	0.4%	0.0%	0.0%	4.2%	2.5%
Staff	65.3%	34.3%	0.2%	0.3%	48.9%	6.6%	18.6%	13.6%	1.2%	0.7%	0.3%	6.4%	4.3%
SMUD	64.8%	34.8%	0.1%	0.3%	50.4%	6.6%	16.7%	14.0%	1.0%	0.6%	0.3%	6.3%	4.0%

RESOLUTION NO. _____

**BE IT RESOLVED BY THE BOARD OF DIRECTORS
OF THE SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

This Board accepts the monitoring report for **Strategic Direction SD-8, Employee Relations**, substantially in the form set forth in **Attachment ____** hereto and made a part hereof.

SSS No. PSS 26-005	BOARD AGENDA ITEM STAFFING SUMMARY SHEET	Committee Meeting Date Policy – 05/13/26
		Board Meeting Date May 21, 2026

TO				TO			
1.	Claire Rogers			6.	Farres Everly		
2.	Matthew Powell			7.			
3.	Jose Bodipo-Memba			8.			
4.	Suresh Kotha			9.	Legal		
5.	Brandy Bolden			10.	CEO & General Manager		
Consent Calendar	X	Yes	No If no, schedule a dry run presentation.	Budgeted	X	Yes	No (If no, explain in Cost/Budgeted section.)
FROM (IPR)		DEPARTMENT		MAIL STOP		EXT.	
Matthew Powell		People Services & Strategies		B251		5371	
DATE SENT							
04/17/26							
NARRATIVE:							
Requested Action: Accept the monitoring report for Strategic Direction SD-12, Ethics. Summary: This presentation provides the Board with the annual monitoring of Strategic Direction SD-12, Ethics, and confirms that SMUD is maintaining the public trust and confidence in the integrity and ethical conduct of the Board and SMUD employees. Board Policy: Strategic Direction SD-12, Ethics (Number & Title) Benefits: Provide the Board and Executive staff with an overview of the Board Policy and give them an opportunity to ask questions, make corrections, additions or changes, if necessary. Cost/Budgeted: Contained in budget for internal labor. Alternatives: Provide via written report through the Chief Executive Officer and General Manager. Affected Parties: All SMUD employees and Contractors Coordination: People Services & Strategies Presenter: Matthew Powell, Manager, Classification, Compensation and Performance							

Additional Links:

SUBJECT	SD-12, Ethics Board Monitoring Report	ITEM NO. (FOR LEGAL USE ONLY)
		8

ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.

SACRAMENTO MUNICIPAL UTILITY DISTRICT

OFFICE MEMORANDUM

TO: Board of Directors

DATE: April 27, 2026

FROM: Claire Rogers *CR 4/27/26*

**SUBJECT: Audit Report No. 28008026
Board Monitoring Report; SD-12: Ethics**

Internal Audit Services (IAS) received the SD-12 *Ethics* 2025 Annual Board Monitoring Report and performed the following:

- Selected a sample of statements and assertions in the report for review.
- Compared sample to the corresponding supporting documentation to identify potential discrepancies.

All items sampled within the SD Report aligns with the supporting documentation provided at the time of review.

CC:

Paul Lau

Board Monitoring Report 2025

SD-12, Ethics



1. Background

Strategic Direction 12 states that:

Maintaining the public trust and confidence in the integrity and ethical conduct of the Board and SMUD employees is a core value. Therefore, to ensure the public interest is paramount in all official conduct, the Board shall adopt and update, as necessary: a Conflict of Interest Code as required by State law. SMUD shall also maintain and enforce a code of conduct applicable to all employees.

Among other things the code of conduct shall:

- a) Require high ethical standards in all aspects of official conduct;
- b) Establish clear guidelines for ethical standards and conduct by setting forth those acts that may be incompatible with the best interests of SMUD and the public;
- c) Require disclosure and reporting of potential conflicts of interest; and
- d) Provide a process for (i) reporting suspected violations of the code of conduct and policies through multiple channels, including an anonymous hotline, and (ii) investigating suspected violations.

2. Executive Summary

SMUD is in compliance with the requirements of SD-12.

Strategic Direction 12 requires SMUD to have a process to report potential conflicts of interest and a process for reporting and investigating suspected violations of the Code of Conduct. Compliance is foundational for acting in the best interests of our customers and community. Several SMUD policies and procedures support the requirement of high ethical standards in all aspects of official conduct.

SD Requirement	Supporting Process/Procedure
a) Require high ethical standards	SMUD's Ethics policy (AP 05.02.03) sets the requirements and expectations for ethical behavior, including communication, training and other resources.

b) Establish clear guidelines for ethical standards and conduct	SMUD's Code of Business Ethics and Employee Conduct were updated and approved by the CEO & General Manager in 2020. SMUD's Ethics procedure (MP 05.02.03.100) was adopted in 2008 and updated in September 2024. SMUD's Conflict of Interest policy (AP 05.02.02) was adopted in 1998 and approved by the FPPC (Fair Political Practices Commission) in 2025.
c) Require disclosure and reporting potential conflicts of interest statements	Notice of filing requirements were sent to employees as early as February and through March. 99% of the annual conflict of interest statements were received by the time this report was finalized.
d) Provide a process for reporting and investigating suspected violations of the code of ethics	SMUD's Whistleblower Anti-Retaliation policy (AP 05.01.03) was approved in 2014. SMUD's Complaint Process Policy (AP 05.01.04) was adopted in 2006 and updated in August 2022. SMUD's Ethics and Compliance Hotline has been in place since 2008.

3. Additional Supporting Information

Ethics Policy

In accordance with Board Policy SD-12 Ethics, SMUD developed the Code of Business Ethics and Employee Conduct, approved by the CEO & General Manager in 2020. This document supplements SMUD's State-law mandated Conflict of Interest Code and provides an easy-to-read explanation of SMUD's values and expectations for employee behavior. It also identifies various staff resources to obtain further guidance, as well as alternative methods to report suspected violations of SMUD's Code of Business Ethics. The Code provides a framework for how employees should act toward customers, vendors and each other. It also emphasizes that as a publicly-owned utility, SMUD and its employees must adhere to the highest ethical standards.

All new employees and contractors reporting to a SMUD campus receive a copy of SMUD's Code of Business Ethics. Contractors are not provided badges until the agreement is signed, and employees cannot become active within SMUD's workforce technology systems without electronically acknowledging the Code of Ethics, ensuring 100% compliance.

Ethics Training

Ethics training is a mandatory requirement for all SMUD employees. They are required to complete the training every 2 years on a fixed rotating schedule. New and returning employees have one year for completion while newly promoted leaders are required to take Ethics training within 90 days of promotion into their role. Course completion is tracked using SMUD's Learning Management System (LMS) and reported as part of SMUD's mandatory training statistics. The 2025 completion rate for employees with 2025 due dates is 99.41%.

Disclosure and Reporting of Potential Conflicts of Interest

The Political Reform Act (Cal. Gov. Code §§ 81000, et seq.) requires certain government officials and employees to publicly disclose certain financial information relevant to the scope of decision-making for their positions with SMUD.

To maintain compliance, all employees in positions designated by the SMUD Board must complete and submit an annual Statement of Economic Interests, FPPC Form 700 (Conflict of Interest Statement). Incumbents of designated positions shall file an Assuming Office Statement within 30 days of starting their employment or beginning the new position. Employees in designated positions who leave SMUD shall file Leaving Office Statements within 30 days of their final dates of employment.

The annual Conflict of Interest Statements are public documents filed with Corporate Records or in the designated record repository. This process transitioned from PS&S to Legal in 2025. Legal sent financial disclosure materials electronically to designated employees as early as February and through March to meet the FPPC filing deadline of April 1. At the time of this report 99% of the annual Conflict of Interest Statements from SMUD officials and designated employees were received. Staff follows up to ensure total compliance. In the rare event that full compliance is not achieved, SMUD is obligated to report violations to the FPPC for enforcement.

Process for Reporting and Investigating Suspected Violations

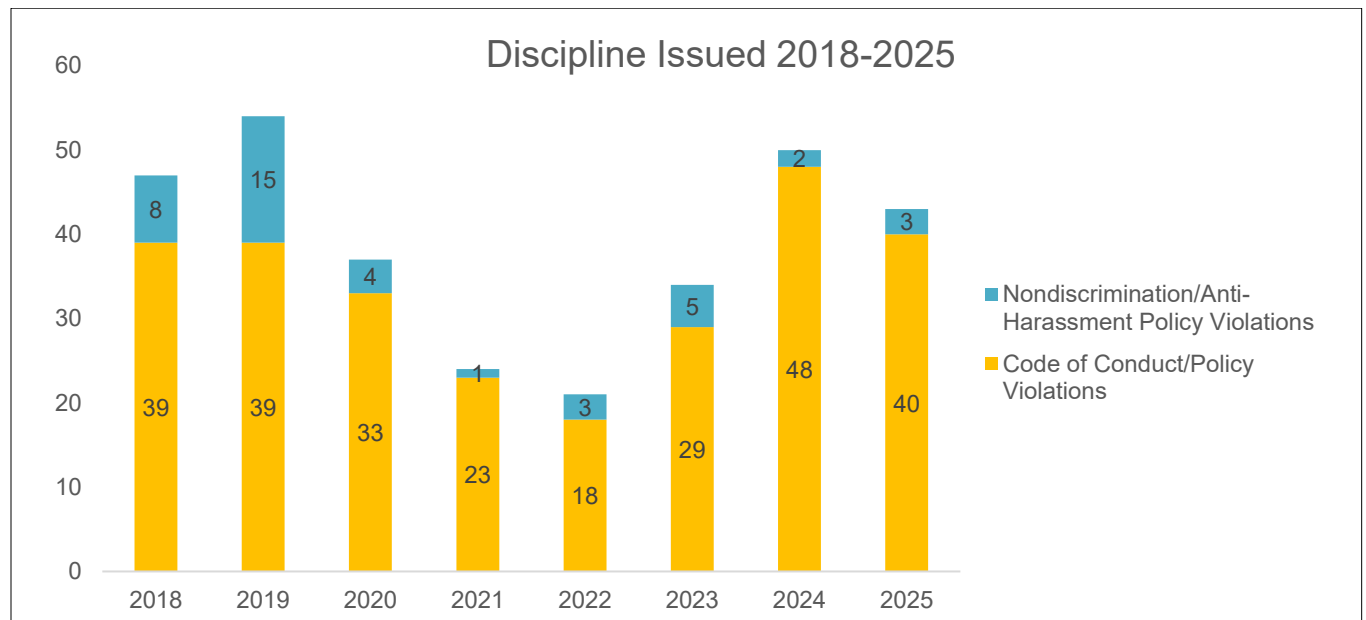
SMUD holds its employees to a higher standard than that required by law and is committed to providing a work environment in which all individuals are treated with dignity and respect. SMUD encourages employees to bring concerns about potential legal violations or violations of SMUD policies to the attention of a SMUD leader. All SMUD leaders are required to immediately report all complaints they receive regarding suspected policy violations to the Fair Employment Office. An employee who believes that they are unable to make a complaint through their management reporting line may report complaints directly to the Fair Employment Office, Labor Relations, Internal Auditor's or General Counsel's Office.

Additionally, SMUD has contracted with Navex Global Compliance since November 2008 to operate an anonymous Ethics and Compliance Hotline. This hotline can be used by employees to file complaints anonymously should they choose, either online or by calling Navex Global Compliance directly.

As part of SMUD's Complaint Process and Whistleblower Anti-Retaliation policies, a Whistleblower Committee was established to review and act, when appropriate, on hotline/whistleblower complaints. The committee is comprised of representatives from the General Counsel's office, Internal Audit Services and PS&S, including members of the Fair Employment Office and Labor Relations teams.

In addition to investigating potential violations of SMUD's Nondiscrimination, Anti-Harassment and Non-Retaliation Policy (AP 05.01.01) and Code of Ethics, Labor Relations and Fair Employment analysts also advise, consult with and support leaders on recommended action and coaching to address problematic behaviors and attitudes among the workforce that are not necessarily prohibited by law. This includes working with a leaders' leader or senior leadership when improved leadership skills would benefit relationships. These proactive measures play a critical role in a culture where all employees are respected and valued.

The following chart illustrates discipline issued to employees between 2018-2025. Summarized below are the disciplinary actions issued for violations of SMUD's Nondiscrimination, Anti-Harassment and Non-Retaliation Policy (AP 05.01.01) as well as discipline for misconduct/policy violations under SMUD's Positive Discipline Policy (AP 05.02.09) including dishonesty, bullying, discourteous behavior, unprofessional conduct, driving policy violations, insubordination, conflicts of interest and unethical behavior. The below reporting does *not* include discipline related to safety incidents (e.g. preventable vehicle accidents), attendance (tardiness and/or absences) or work performance unless there was a conduct component covered by SMUD's Code of Business Ethics & Employee Conduct, such as willful negligence or dishonesty.



The chart shown next indicates violations of SMUD's Nondiscrimination, Anti-Harassment and Non-Retaliation Policy (AP 05.01.01) as they relate to protected categories for FEO investigations that occurred in the past five years.



4. Challenges

Completing training and obtaining necessary documents can be a challenge for employees on any type of extended leave. Broad or anonymous complaints are sometimes filed without supporting and/or contact information to allow for follow-up and further investigation.

5. Recommendations

As reflected in this report, SMUD has achieved the goals set forth in SD-12 for maintaining public trust and confidence in the integrity and ethical conduct of the Board and SMUD employees. The policies, guidelines, staff training and monitoring and reporting components have played a part in ensuring high ethical standards in all areas of conduct and in operations.

It is recommended the Board accept the monitoring report for Strategic Direction 12.

6. Appendices

N/A

RESOLUTION NO. _____

**BE IT RESOLVED BY THE BOARD OF DIRECTORS
OF THE SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

This Board accepts the monitoring report for **Strategic Direction SD-12, Ethics**, substantially in the form set forth in **Attachment ____** hereto and made a part hereof.

SSS No. PSS 26-003

BOARD AGENDA ITEM

STAFFING SUMMARY SHEET

Committee Meeting & Date
Finance & Audit – 05/19/26Board Meeting Date
May 21, 2026

TO				TO							
1.	Matthew Powell			6.							
2.	Farres Everly			7.							
3.	Jose Bodipo-Memba			8.							
4.	Scott Martin			9.	Legal						
5.				10.	CEO & General Manager						
Consent Calendar		X	Yes	No If no, schedule a dry run presentation.		Budgeted		X	Yes	No (If no, explain in Cost/Budgeted section.)	
FROM (IPR) Matthew Powell				DEPARTMENT People Services & Strategies				MAIL STOP B251		EXT. 5371	
								DATE SENT 03/19/2026			

NARRATIVE:

Requested Action: Approve SMUD's amended 2026 Pay Schedule and Other Pay Compensation Policy.

Summary: SMUD is seeking Board approval of SMUD's amended 2026 Pay Schedule and Other Pay Compensation Policy with changes to salaries for Organization of SMUD Employees (OSE), Professional, Administrative and Supervisory (PAS), International Brotherhood of Electrical Workers (IBEW) and Confidential (CONF) employees. This salary schedule update is required to ensure accurate wage reporting following recent wage adjustments in the Memoranda of Understanding (MOU) with both the IBEW and OSE, an additional side letter with the OSE, and an updated memo from the Chief Executive Officer & General Manager (CEO & GM) for PAS and CONF.

Board Policy: Governance Process GP-3, Board Job Description
(Number & Title)

Benefits: N/A

Cost/Budgeted: N/A

Alternatives: If not approved, this could jeopardize the employee's final pension calculations and non-compliance with CalPERS requirements / Public Employees Retirement Law.

Affected Parties: OSE, IBEW and SMUD

Coordination: People Services & Strategies, Budget Office, Treasury, Accounting & Legal

Presenter: Matthew Powell, Manager, Classification, Compensation and Performance

Additional Links:

SUBJECT

**Approve SMUD's amended 2026 Pay Schedule
and Other Pay Compensation Policy**

ITEM NO. (FOR LEGAL USE ONLY)

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ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.

DRAFT

Job ID	Job Title	Prob Per Mo	Pay Scale Group	Step 01	Step 02	Step 03	Step 04	Step 05	Step 06	Step 07	Step 08	Step 09	Step10	Wage Type	Effective Date
50051540	Accountant Entry	F	PAS00430	\$80,433.60									\$106,537.60	Annually	12/13/2025
50051541	Accountant Journey	12	PAS00520	\$100,422.40									\$132,995.20	Annually	12/13/2025
50083082	Accounting Technician	6	OSE0680A	\$33.83	\$34.70	\$35.58	\$36.45	\$37.39	\$38.33	\$39.28	\$40.29	\$41.32		Hourly	12/13/2025
50051545	Administrative Supervisor	12	PAS00430	\$80,433.60									\$106,537.60	Annually	12/13/2025
50131376	Analyst Trainee	N/	PAS00390	\$72,883.20									\$96,636.80	Annually	12/13/2025
50157614	Art Director	12	PAS00620	\$128,481.60									\$170,144.00	Annually	12/13/2025
50051633	Asset Protection Officer	12	SECU245A	\$32.17	\$32.97	\$33.78	\$34.64	\$35.51	\$36.43	\$37.29	\$38.25	\$39.21		Hourly	12/13/2025
50138722	Asset Supervisor Business Operations	12	PAS0062L	\$128,481.60									\$238,035.20	Annually	12/13/2025
50169886	Asset Supervisor Power Generation	12	PAS0062J	\$128,481.60									\$221,977.60	Annually	12/13/2025
50121495	Assistant Engineer	12	PAS00410	\$76,564.80									\$101,379.20	Annually	12/13/2025
50136460	Assistant General Manager	N/	EXECU01E	\$313,289.60									\$512,657.60	Annually	12/13/2025
50092300	Assistant Superintendent Power Generation	12	PAS00660	\$141,814.40									\$187,824.00	Annually	12/13/2025
50159051	Assistant Supervisor Telecommunication Operations and Management	12	PAS0059C	\$119,308.80									\$170,144.00	Annually	12/13/2025
50090360	Associate Civil Engineer Entry Level	F	PAS00520	\$100,422.40									\$132,995.20	Annually	12/13/2025
50097000	Associate Desktop Support Specialist Closed Classification	12	PAS00590	\$119,308.80									\$158,059.20	Annually	12/13/2025
50051553	Associate Distribution Design Engineer Entry	F	PAS00450	\$84,489.60									\$111,883.20	Annually	12/13/2025
50083179	Associate Distribution Design Engineer Entry	F	PAS00560	\$106,537.60									\$141,148.80	Annually	10/18/2025
50083179	Associate Distribution Design Engineer Entry	F	PAS00560	\$110,801.60									\$146,785.60	Annually	12/13/2025
50051525	Associate Distribution Design Engineer Journey	12	PAS00630	\$126,193.60									\$167,190.40	Annually	10/18/2025
50051525	Associate Distribution Design Engineer Journey	12	PAS00630	\$131,248.00									\$173,888.00	Annually	12/13/2025
61000010	Associate Distribution Operations Engineer Entry	F	PAS00560	\$106,537.60									\$141,148.80	Annually	10/18/2025
61000010	Associate Distribution Operations Engineer Entry	F	PAS00560	\$110,801.60									\$146,785.60	Annually	12/13/2025
61000011	Associate Distribution Operations Engineer Journey	12	PAS00630	\$126,193.60									\$167,190.40	Annually	10/18/2025
61000011	Associate Distribution Operations Engineer Journey	12	PAS00630	\$131,248.00									\$173,888.00	Annually	12/13/2025
50083180	Associate Distribution System Engineer Entry	F	PAS00560	\$106,537.60									\$141,148.80	Annually	10/18/2025
50083180	Associate Distribution System Engineer Entry	F	PAS00560	\$110,801.60									\$146,785.60	Annually	12/13/2025
50051539	Associate Distribution System Engineer Journey	12	PAS00630	\$126,193.60									\$167,190.40	Annually	10/18/2025
50051539	Associate Distribution System Engineer Journey	12	PAS00630	\$131,248.00									\$173,888.00	Annually	12/13/2025
50083181	Associate Electrical Engineer Entry	F	PAS00560	\$106,537.60									\$141,148.80	Annually	10/18/2025
50083181	Associate Electrical Engineer Entry	F	PAS00560	\$110,801.60									\$146,785.60	Annually	12/13/2025
50051526	Associate Electrical Engineer Journey	12	PAS00630	\$126,193.60									\$167,190.40	Annually	10/18/2025
50051526	Associate Electrical Engineer Journey	12	PAS00630	\$131,248.00									\$173,888.00	Annually	12/13/2025
50139912	Associate Energy Management System Engineer Entry Level	F	PAS00560	\$106,537.60									\$141,148.80	Annually	10/18/2025
50139912	Associate Energy Management System Engineer Entry Level	F	PAS00560	\$110,801.60									\$146,785.60	Annually	12/13/2025
50139910	Associate Energy Management System Engineer Journey	12	PAS00630	\$126,193.60									\$167,190.40	Annually	10/18/2025
50139910	Associate Energy Management System Engineer Journey	12	PAS00630	\$131,248.00									\$173,888.00	Annually	12/13/2025
50121331	Associate Enterprise Technology Analyst Entry	F	PAS00450	\$84,489.60									\$111,883.20	Annually	12/13/2025
50121274	Associate Enterprise Technology Developer Entry	F	PAS00450	\$84,489.60									\$111,883.20	Annually	12/13/2025
50168400	Associate Instrument and Controls Engineer Entry Level	F	PAS00560	\$106,537.60									\$141,148.80	Annually	10/18/2025
50168400	Associate Instrument and Controls Engineer Entry Level	F	PAS00560	\$110,801.60									\$146,785.60	Annually	12/13/2025
50108175	Associate Instrument and Controls Engineer Journey	12	PAS00630	\$126,193.60									\$167,190.40	Annually	10/18/2025
50108175	Associate Instrument and Controls Engineer Journey	12	PAS00630	\$131,248.00									\$173,888.00	Annually	12/13/2025
50051532	Associate Mechanical Engineer Entry Level	F	PAS00520	\$100,422.40									\$132,995.20	Annually	12/13/2025
50083182	Associate Mechanical Engineer Journey	12	PAS00590	\$119,308.80									\$158,059.20	Annually	12/13/2025
50120408	Associate Power Operation Engineer Journey Level	12	PAS00630	\$126,193.60									\$167,190.40	Annually	10/18/2025
50120408	Associate Power Operation Engineer Journey Level	12	PAS00630	\$131,248.00									\$173,888.00	Annually	12/13/2025
50134736	Associate Protection Engineer Entry Level	F	PAS00560	\$106,537.60									\$141,148.80	Annually	10/18/2025
50134736	Associate Protection Engineer Entry Level	F	PAS00560	\$110,801.60									\$146,785.60	Annually	12/13/2025
50120123	Associate Protection Engineer Journey	12	PAS00630	\$126,193.60									\$167,190.40	Annually	10/18/2025
50120123	Associate Protection Engineer Journey	12	PAS00630	\$131,248.00									\$173,888.00	Annually	12/13/2025
61000022	Associate Substation Engineer Entry	F	PAS00560	\$106,537.60									\$141,148.80	Annually	10/18/2025
61000022	Associate Substation Engineer Entry	F	PAS00560	\$110,801.60									\$146,785.60	Annually	12/13/2025
61000023	Associate Substation Engineer Journey	12	PAS00630	\$126,193.60									\$167,190.40	Annually	10/18/2025
61000023	Associate Substation Engineer Journey	12	PAS00630	\$131,248.00									\$173,888.00	Annually	12/13/2025
50121906	Associate Telecommunication Engineer Entry	F	PAS00560	\$106,537.60									\$141,148.80	Annually	10/18/2025
50121906	Associate Telecommunication Engineer Entry	F	PAS00560	\$110,801.60									\$146,785.60	Annually	12/13/2025
50121894	Associate Telecommunication Engineer Journey	12	PAS00630	\$126,193.60									\$167,190.40	Annually	10/18/2025
50121894	Associate Telecommunication Engineer Journey	12	PAS00630	\$131,248.00									\$173,888.00	Annually	12/13/2025
50123046	Associate Transmission Planning Engineer Entry	F	PAS00580	\$106,537.60									\$141,148.80	Annually	10/18/2025
50123046	Associate Transmission Planning Engineer Entry	F	PAS00580	\$110,801.60									\$146,785.60	Annually	12/13/2025
50123047	Associate Transmission Planning Engineer Journey	12	PAS00630	\$126,193.60									\$167,190.40	Annually	10/18/2025
50123047	Associate Transmission Planning Engineer Journey	12	PAS00630	\$131,248.00									\$173,888.00	Annually	12/13/2025
50051558	Attorney Entry Level	N/	PAS00820	\$128,481.60									\$170,144.00	Annually	12/13/2025
50051557	Attorney Journey Level	N/	PAS00860	\$141,814.40									\$187,824.00	Annually	12/13/2025
50051564	Body Fender Mechanic	12	IBEW884A	\$59.23										Hourly	12/13/2025
50160320	Business Continuity Program Manager	12	PAS00640	\$134,971.20									\$178,776.00	Annually	12/13/2025
50166420	Business Development Manager Customer Sales	N/	PAS0069B	\$152,672.00									\$212,492.80	Annually	12/13/2025
50083187	Business Planning Analyst Entry Level	F	PAS0043B	\$80,433.60									\$111,883.20	Annually	12/13/2025
50051560	Business Planning Analyst Journey	12	PAS0052B	\$100,422.40									\$139,651.20	Annually	12/13/2025
50051551	Business Technology Analyst Entry	F	PAS00450	\$84,489.60									\$111,883.20	Annually	12/13/2025
50051561	Business Technology Analyst Journey	12	PAS00540	\$105,456.00									\$139,651.20	Annually	12/13/2025
50111755	Business Technology Program Manager	12	PAS00680	\$141,814.40									\$187,824.00	Annually	12/13/2025
50088597	Business Transformation Specialist	12	PAS00640	\$134,971.20									\$178,776.00	Annually	12/13/2025
50084255	Business Unit Planning Coordinator	12	PAS0062B	\$128,481.60									\$178,776.00	Annually	12/13/2025
50051586	Cable Locator	12	IBEW873H	\$53.07	\$54.19	\$55.73	\$57.15	\$58.22						Hourly	12/13/2025
50051584	Cable Locator with class A	12	IBEW873M	\$54.22	\$55.34	\$56.88	\$58.30	\$59.37						Hourly	12/13/2025
50051585	Cable Locator with Hazmat	12	IBEW873X	\$54.34	\$55.46	\$57.00	\$58.42	\$59.49						Hourly	12/13/2025
50165732	Cable Splicer Construction Foreman/Woman	12	IBEW941I	\$98.41										Hourly	12/13/2025
50167676	Cable Splicer Construction Foreman/Woman with class A	12	IBEW941F	\$99.56										Hourly	12/13/2025
50051574	Cable Splicer/Electrician	12	IBEW923K	\$82.88										Hourly	12/13/2025
50083188	Cable Splicer/Electrician Apprentice	54	IBEW909A	\$53.90	\$56.95	\$60.06	\$63.18	\$66.34	\$69.45	\$72.49	\$75.64	\$78.71		Hourly	12/13/2025
50051575	Cable Splicer/Electrician Apprentice with class A	54	IBEW909B	\$55.05	\$58.10	\$61.21	\$64.33	\$67.49	\$70.60	\$73.64	\$76.79	\$79.86		Hourly	12/13/2025
50051579	Cable Splicer/Electrician Apprentice with hazmat	54	IBEW909C	\$55.17	\$58.22	\$61.33	\$64.45	\$67.61	\$70.72	\$73.76	\$76.91	\$79.98		Hourly	12/13/2025
50051844	Cable Splicer/Electrician Foreman/Woman	12	IBEW937D	\$89.26										Hourly	12/13/2025
50051577	Cable Splicer/Electrician Foreman/Woman Light	12	IBEW942A	\$93.38										Hourly	12/13/2025

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[illegible]

N/ designates non-civil service jobs
F designates non-journey flex jobs

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50091575	Director Power Generation	N/	MGR0085G	\$223,995.20															\$311,937.60	Annually	12/13/2025
50051856	Director Procurement, Warehouse & Fleet	N/	MGR0080G	\$197,953.60															\$275,724.80	Annually	12/13/2025
50124607	Director Reliability Compliance & Coordination	N/	MGR0080G	\$197,953.60															\$275,724.80	Annually	12/13/2025
60000022	Director Research & Development, Grants & Partnerships	N/	MGR0080G	\$197,953.60															\$275,724.80	Annually	12/13/2025
61000027	Director Specialized Enterprise Initiatives	N/	MGR0080G	\$197,953.60															\$275,724.80	Annually	12/13/2025
50051819	Director Substation Telecommunications & Metering Assets	N/	MGR0085G	\$223,995.20															\$311,937.60	Annually	12/13/2025
50166082	Director Sustainable Community Programs	N/	MGR0080G	\$197,953.60															\$275,724.80	Annually	12/13/2025
50145212	Director Transmission Planning & Operations	N/	MGR0085G	\$223,995.20															\$311,937.60	Annually	12/13/2025
50083424	Director Treasury and Revenue Strategy	N/	MGR0085G	\$223,995.20															\$311,937.60	Annually	12/13/2025
50160638	Director, Customer & Grid Operations Tech Center	N/	MGR0080G	\$197,953.60															\$275,724.80	Annually	12/13/2025
50123045	Director, DEIB, Learning, & Sustainable Communities	N/	MGR0080G	\$197,953.60															\$275,724.80	Annually	12/13/2025
50051816	Director, Enterprise Systems, Strategy and Governance	N/	MGR0080G	\$197,953.60															\$275,724.80	Annually	12/13/2025
50088304	Director, IT Infrastructure Platform Services	N/	MGR0080G	\$197,953.60															\$275,724.80	Annually	12/13/2025
50131456	Director, Resource & Market Planning and Settlements	N/	MGR0080G	\$197,953.60															\$275,724.80	Annually	12/13/2025
50140181	Distribution Line Design Supervisor	12	PAS0082T	\$128,481.60															\$187,844.80	Annually	12/13/2025
50051628	Distribution System Operator I	12	IBEW928J	\$77.81																Hourly	12/13/2025
50051629	Distribution System Operator II	12	IBEW928D	\$100.05																Hourly	12/13/2025
50051630	Distribution System Specialist	12	PAS0066A	\$141,814.40																Annually	12/13/2025
50051624	Document Record Specialist I	6	OSE0615A	\$24.38	\$24.99	\$25.62	\$26.22	\$26.87	\$27.57	\$28.26	\$28.96	\$29.70								Hourly	12/13/2025
50051625	Document Record Specialist II	6	OSE0634B	\$26.73	\$27.38	\$28.12	\$28.80	\$29.53	\$30.31	\$31.04	\$31.83	\$32.61								Hourly	12/13/2025
50090307	Document Record Specialist II Confidential	6	CONF634A	\$29.32	\$30.04	\$30.76	\$31.54	\$32.34	\$33.12	\$34.01	\$34.83	\$35.74								Hourly	12/13/2025
50083194	Drafting Technician I	6	OSE0680A	\$33.83	\$34.70	\$35.58	\$36.45	\$37.39	\$38.33	\$39.28	\$40.29	\$41.32								Hourly	12/13/2025
50051642	Drafting Technician II	6	OSE0716A	\$40.00	\$40.99	\$42.02	\$43.08	\$44.15	\$45.26	\$46.38	\$47.57	\$48.77								Hourly	12/13/2025
50115039	Economic & Small Business Development Representative Entry Level	F	PAS0045O	\$84,489.60																Annually	12/13/2025
50051822	Economic & Small Business Development Representative II	12	PAS0054O	\$105,456.00																Annually	12/13/2025
50051590	Economic & Small Business Development Representative III	12	PAS0059O	\$119,308.80																Annually	12/13/2025
50051823	Economic & Small Business Development Supervisor	12	PAS0062B	\$128,481.60																Annually	12/13/2025
61000009	Economic Development & Business Growth Specialist I	12	PAS0059O	\$119,308.80																Annually	12/13/2025
50170332	Economic Development & Business Growth Specialist II	N/	PAS0066O	\$141,814.40																Annually	12/13/2025
50137576	Economic Development and Business Growth Manager	N/	PAS0072O	\$164,382.40																Annually	12/13/2025
50051645	Economic Development Specialist	N/	PAS0066O	\$141,814.40																Annually	12/13/2025
50051646	Education Specialist	12	PAS0056O	\$110,801.60																Annually	12/13/2025
50140144	Electrical Field Consultant	12	PAS0066O	\$141,814.40																Annually	12/13/2025
50051653	Electrical Technician	12	IBEW937E	\$83.74																Hourly	12/13/2025
50089229	Electrical Technician Apprentice	48	IBEW928B	\$54.35	\$57.60	\$60.70	\$63.84	\$67.01	\$70.17	\$73.26	\$76.42	\$79.54								Hourly	12/13/2025
50051654	Electrical Technician Apprentice with hazmat	48	IBEW928C	\$55.62	\$58.87	\$61.97	\$65.11	\$68.28	\$71.44	\$74.53	\$77.69	\$80.81								Hourly	12/13/2025
50092679	Electrical Technician Foreman/Woman Light	12	IBEW970A	\$95.81																Hourly	12/13/2025
50099277	Electrical Technician Foreman/Woman Light On Call	12	IBEW970O	\$97.66																Hourly	12/13/2025
50092739	Electrical Technician Foreman/Woman With class A	12	IBEW970M	\$97.01																Hourly	12/13/2025
50092740	Electrical Technician Foreman/Woman With hazmat	12	IBEW970N	\$97.13																Hourly	12/13/2025
50091431	Electrical Technician Subforeman/Woman	12	IBEW937F	\$90.22																Hourly	12/13/2025
50120394	Electrical Test & Repair Specialist	12	IBEW939C	\$84.67																Hourly	12/13/2025
50051647	Electrician	12	IBEW916A	\$67.44																Hourly	12/13/2025
50051648	Electrician Apprentice	48	IBEW880A	\$43.84	\$46.77	\$49.60	\$52.50	\$55.40	\$58.29	\$61.13	\$64.05									Hourly	12/13/2025
50051649	Electrician Apprentice with class A	48	IBEW880L	\$44.99	\$47.92	\$50.75	\$53.65	\$56.55	\$59.44	\$62.28	\$65.20									Hourly	12/13/2025
50051650	Electrician Apprentice with hazmat	48	IBEW880X	\$45.11	\$48.04	\$50.87	\$53.77	\$56.67	\$59.56	\$62.40	\$65.32									Hourly	12/13/2025
50099538	Electrician Foreman/Woman Light	12	IBEW941M	\$77.20																Hourly	12/13/2025
50099539	Electrician Foreman/Woman Light With class A	12	IBEW941L	\$78.35																Hourly	12/13/2025
50099540	Electrician Foreman/Woman Light With hazmat	12	IBEW941X	\$78.47																Hourly	12/13/2025
50051651	Electrician with class A	12	IBEW916L	\$68.59																Hourly	12/13/2025
50133656	Electrician with hazmat	12	IBEW916X	\$68.71																Hourly	12/13/2025
50051663	Emergency Preparedness Specialist I	F	PAS0049O	\$93,225.60																Annually	12/13/2025
50051664	Emergency Preparedness Specialist II	12	PAS0056O	\$110,801.60																Annually	12/13/2025
50120629	Emergency Preparedness Specialist III	12	PAS0062O	\$128,481.60																Annually	12/13/2025
50164527	End User Computing Analyst	12	PAS0039O	\$72,883.20																Annually	12/13/2025
50131802	Energy Advisor Entry Level	F	PAS0045O	\$84,489.60																Annually	12/13/2025
50131803	Energy Advisor Journey	12	PAS0054O	\$105,456.00																Annually	12/13/2025
50051666	Energy Coordinator Special Projects	12	PAS0071O	\$160,368.00																Annually	12/13/2025
50131880	Energy Specialist Entry	6	OSE0725D	\$42.10	\$43.17	\$44.23	\$45.33	\$46.46	\$47.58	\$48.80	\$49.99	\$51.29								Hourly	12/13/2025
50131879	Energy Specialist Journey	6	OSE0753A	\$48.57	\$49.80	\$51.01	\$52.29	\$53.61	\$54.91	\$56.30	\$57.73	\$59.12								Hourly	12/13/2025
50108843	Energy Trading Specialist Entry	F	PAS0043O	\$80,433.60																Annually	12/13/2025
50108844	Energy Trading Specialist Intermediate	F	PAS0052O	\$100,422.40																Annually	12/13/2025
50108900	Energy Trading Specialist Journey	12	PAS0062O	\$128,481.60																Annually	12/13/2025
50090546	Engineering Designer I	12	OSE0711B	\$40.94	\$41.97	\$43.02	\$44.09	\$45.21	\$46.31	\$47.46	\$48.65	\$49.87								Hourly	12/13/2025
50083405	Engineering Designer II	12	OSE0745A	\$48.65	\$49.87	\$51.09	\$52.40	\$53.69	\$55.03	\$56.40	\$57.81	\$59.27								Hourly	12/13/2025
50083457	Engineering Designer III	12	OSE0770A	\$57.81	\$59.27	\$60.74	\$62.28	\$63.84	\$65.42	\$67.05	\$68.72	\$70.46								Hourly	12/13/2025
50084126	Engineering Designer IV	12	OSE0780A	\$65.42	\$67.05	\$68.72	\$70.46	\$72.21	\$74.00	\$75.84	\$77.76	\$79.71								Hourly	12/13/2025
50051666	Engineering Specialist	12	PAS0056O	\$110,801.60																Annually	12/13/2025
50083195	Engineering Technician Entry Level	12	OSE0677A	\$36.67	\$37.59	\$38.52	\$39.49	\$40.49												Hourly	12/13/2025
50051658	Engineering Technician Journey	12	OSE0714A	\$39.93	\$40.93	\$41.91	\$42.98	\$44.08	\$45.19	\$46.31	\$47.44	\$48.67								Hourly	12/13/2025
50170773	Enterprise Application Administrator Entry	F	PAS0052B	\$100,422.40																Annually	12/13/2025
50085578	Enterprise Application Administrator Journey	12	PAS0059O	\$119,308.80																Annually	12/13/2025
50166430	Enterprise Architect Entry Level	F	PAS0045O	\$84,489.60																Annually	12/13/2025
50166431	Enterprise Architect Journey Level	12	PAS0059O	\$119,308.80																Annually	12/13/2025
50051746	Enterprise Operations Analyst Journey	12	PAS0054O	\$105,456.00																Annually	12/13/2025
50145378	Enterprise Performance Planning Coordinator Entry Level	F	PAS0045O	\$84,489.60																Annually	12/13/2025
50139957	Enterprise Performance Planning Coordinator Journey	12	PAS0056O	\$110,801.60																Annually	12/13/2025
50158464	Enterprise Risk Coordinator	12	PAS0062O	\$128,481.60																Annually	12/13/2025
50126639	Enterprise Technology Analyst Intermediate	F	PAS0054O	\$105,456.00																Annually	12/13/2025
50083607	Enterprise Technology Analyst Journey	12	PAS0059O	\$119,308.80																Annually	12/13/2025
50138868	Enterprise Technology Developer Intermediate																				

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61000051	Entry Security Administrator	F	PAS0045O	\$84,489.60																\$111,883.20	Annually	12/13/2025
50051936	Environmental Health & Safety Specialist I	F	PAS0049O	\$93,225.60																\$123,531.20	Annually	12/13/2025
50051937	Environmental Health & Safety Specialist II	12	PAS0056O	\$110,801.60																\$146,785.60	Annually	12/13/2025
50051938	Environmental Health & Safety Specialist III	12	PAS0062O	\$128,481.60																\$170,144.00	Annually	12/13/2025
50051659	Equipment Operator	12	IBEW858L	\$52.85																	Hourly	12/13/2025
50051660	Equipment Operator with class A	12	IBEW864A	\$54.00																	Hourly	12/13/2025
50051661	Equipment Operator with hazmat	12	IBEW864X	\$54.12																	Hourly	12/13/2025
50051662	Equipment Testing Representative	6	OSE0735B	\$44.23	\$45.32	\$46.46	\$47.58	\$48.80	\$49.99	\$51.28	\$52.57	\$53.91									Hourly	12/13/2025
50083197	Equipment Testing Representative Assistant	6	OSE0695A	\$36.32	\$37.24	\$38.12	\$39.10	\$40.07	\$41.04	\$42.10	\$43.17	\$44.23									Hourly	12/13/2025
50088756	Executive Advisor	N/	EXECU01E	\$313,289.60																\$512,657.60	Annually	12/13/2025
50092751	Executive Assistant Executive Office	N/	PAS0051O	\$97,947.20																\$129,792.00	Annually	12/13/2025
50131624	Facilities Building & Grounds Supervisor	12	PAS0059O	\$119,308.80																\$158,059.20	Annually	12/13/2025
50113660	Facilities Craft Supervisor	12	PAS0066O	\$136,364.80																\$180,606.40	Annually	1/25/2025
50113660	Facilities Craft Supervisor	12	PAS0066O	\$141,814.40																\$187,824.00	Annually	12/13/2025
50099209	Facilities Custodian	12	IBEW792A	\$26.67	\$28.68	\$30.99	\$33.35														Hourly	12/13/2025
50051842	Facilities Electrical Foreman/Woman Light with class A	12	IBEW941L	\$78.35																	Hourly	12/13/2025
50117605	Facilities Electrician Foreman/Woman Light	12	IBEW941M	\$77.20																	Hourly	12/13/2025
50159122	Facilities Stationary Engineer Apprentice	12	IBEW851J	\$35.86	\$37.94	\$39.98	\$42.06	\$44.12	\$46.19	\$48.27	\$50.32	\$52.43									Hourly	12/13/2025
50159123	Facilities Stationary Engineer Apprentice Closed Classification	12	IBEW879F	\$42.19	\$44.64	\$47.05	\$49.51	\$51.93	\$54.37	\$56.82	\$59.22	\$61.68									Hourly	12/13/2025
50159124	Facilities Stationary Engineer Foremen/Woman Light	12	IBEW901K	\$74.26																	Hourly	12/13/2025
50159225	Facilities Stationary Engineer I	12	IBEW872G	\$55.17																	Hourly	12/13/2025
50159226	Facilities Stationary Engineer II	12	IBEW865A	\$64.92																	Hourly	12/13/2025
50052152	Facilities Utility Crew Foreman/Woman	12	IBEW919M	\$49.36																	Hourly	12/13/2025
50168952	Facilities Utility Crew Foreman/Woman Closed Classification	12	IBEW863M	\$57.48																	Hourly	12/13/2025
50168954	Facilities Utility Crew Foreman/Woman with hazmat	12	IBEW919N	\$50.63																	Hourly	12/13/2025
50168953	Facilities Utility Crew Foreman/Woman with hazmat Closed Classification	12	IBEW863N	\$58.75																	Hourly	12/13/2025
50093182	Fault Locator	12	IBEW941H	\$78.60																	Hourly	12/13/2025
50093183	Fault Locator with class A	12	IBEW941J	\$79.75																	Hourly	12/13/2025
50051620	Field Services Technician	6	OSE0735A	\$44.22	\$45.32	\$46.46	\$47.63	\$48.83	\$50.07	\$51.32	\$52.58	\$53.94									Hourly	12/13/2025
50101800	Field Support Technician with class A	12	IBEW888C	\$56.04	\$57.45	\$58.90	\$60.34														Hourly	12/13/2025
50083165	Financial Analyst Entry Level	F	PAS0043O	\$80,433.60																\$106,537.60	Annually	12/13/2025
50051681	Financial Analyst Journey Level	12	PAS0052O	\$100,422.40																\$132,995.20	Annually	12/13/2025
50051683	Financing Specialist Closed Classification	12	PAS0049O	\$93,225.60																\$123,531.20	Annually	12/13/2025
50083479	Fire Protection & Loss Control Specialist	12	PAS0054O	\$105,456.00																\$139,651.20	Annually	12/13/2025
50111032	Fleet Asset Coordinator	12	PAS0052O	\$100,422.40																\$132,995.20	Annually	12/13/2025
50111036	Fleet Maintenance Scheduler	12	PAS0052O	\$100,422.40																\$132,995.20	Annually	12/13/2025
50160529	Fleet Maintenance Supervisor	12	PAS0056C	\$110,801.60																\$158,059.20	Annually	12/13/2025
50051686	Forms Assistant	6	OSE0660A	\$30.61	\$31.32	\$32.14	\$32.93	\$33.73	\$34.55	\$35.41	\$36.32	\$37.24	\$38.12	\$39.24							Hourly	12/13/2025
50051687	Forms Technician	6	OSE0670D	\$32.14	\$32.93	\$33.73	\$34.55	\$35.41	\$36.32	\$37.24	\$38.12	\$39.10									Hourly	12/13/2025
50154335	Gardener	12	IBEW877J	\$40.55	\$41.58	\$42.44															Hourly	12/13/2025
50051700	Gardener Closed Classification	12	IBEW848G	\$47.43	\$48.62	\$49.60															Hourly	12/13/2025
50154336	Gardener with class A	12	IBEW877K	\$41.70	\$42.73	\$43.59															Hourly	12/13/2025
50051701	Gardener with class A Closed Classification	12	IBEW848L	\$48.58	\$49.77	\$50.75															Hourly	12/13/2025
50154337	Gardener with hazmat	12	IBEW877L	\$41.82	\$42.85	\$43.71															Hourly	12/13/2025
50051702	Gardener with hazmat Closed Classification	12	IBEW848X	\$48.70	\$49.89	\$50.87															Hourly	12/13/2025
50097100	Gas Control Technician	12	IBEW924A	\$73.61																	Hourly	12/13/2025
50124993	Gas Control Technician Apprentice	48	IBEW912I	\$47.98	\$51.14	\$54.32	\$57.47	\$60.66	\$63.78	\$66.95	\$70.11										Hourly	12/13/2025
50113669	Gas Control Technician with class A	12	IBEW924L	\$74.76																	Hourly	12/13/2025
50051690	Gas Pipeline Fieldperson	12	IBEW873G	\$52.18	\$53.28	\$54.79	\$56.19	\$57.24													Hourly	12/13/2025
50096042	Generation Designer I	12	OSE0711B	\$40.94	\$41.97	\$43.02	\$44.08	\$45.21	\$46.31	\$47.46	\$48.65	\$49.87									Hourly	12/13/2025
50096043	Generation Designer II	12	OSE0745A	\$48.65	\$49.87	\$51.09	\$52.40	\$53.69	\$55.03	\$56.40	\$57.81	\$59.27									Hourly	12/13/2025
50096044	Generation Designer III	12	OSE0770A	\$57.81	\$59.27	\$60.74	\$62.28	\$63.84	\$65.42	\$67.05	\$68.72	\$70.46									Hourly	12/13/2025
50096045	Generation Designer IV	12	OSE0780A	\$65.42	\$67.05	\$68.72	\$70.46	\$72.21	\$74.00	\$75.84	\$77.76	\$79.71									Hourly	12/13/2025
50097651	Geographic Information Systems Analyst Journey	12	PAS0052O	\$100,422.40																\$132,995.20	Annually	12/13/2025
50110253	Geographic Information Systems Manager	12	PAS0064O	\$134,971.20																\$178,776.00	Annually	12/13/2025
50164498	Geographic Information Systems Technician Entry	F	OSE0705A	\$38.12	\$39.10	\$40.07	\$41.04	\$42.10	\$43.18	\$44.23	\$45.32	\$46.47									Hourly	12/13/2025
50097650	Geographic Information Systems Technician Journey	6	OSE0736A	\$45.05	\$46.18	\$47.35	\$48.54	\$49.75	\$50.94	\$52.25	\$53.56	\$54.87									Hourly	12/13/2025
50051693	Government Affairs Representative II	12	PAS0056O	\$110,801.60																\$146,785.60	Annually	12/13/2025
50051694	Government Affairs Representative III	12	PAS0062O	\$128,481.60																\$170,144.00	Annually	12/13/2025
50051692	Government Affairs Representative Entry Level	F	PAS0047O	\$88,795.20																\$117,540.80	Annually	12/13/2025
50130986	Graduate Intern	N/	PAS0041O	\$76,564.80																\$101,379.20	Annually	12/13/2025
61000015	Grants Program Manager	12	PAS0066O	\$141,814.40																\$187,824.00	Annually	12/13/2025
50051698	Graphic Artist	6	OSE0699A	\$38.30	\$39.28	\$40.27	\$41.33	\$42.34	\$43.50	\$44.57	\$45.73	\$46.87									Hourly	12/13/2025
50052175	Hazard Waste Foreman/Woman Light	12	IBEW912G	\$68.70																	Hourly	12/13/2025
50052176	Hazard Waste Foreman/Woman Light with class A	12	IBEW915B	\$69.85																	Hourly	12/13/2025
50055201	Hazard Waste Technician	12	IBEW874H	\$35.34	\$36.92	\$49.61	\$50.29	\$51.93	\$53.60	\$55.55	\$58.29										Hourly	12/13/2025
50119981	Hazard Waste Technician On Call	12	IBEW886A	\$61.27																	Hourly	12/13/2025
50083169	Hazard Waste Technician with class A	12	IBEW878A	\$36.49	\$38.07	\$50.76	\$51.44	\$53.08	\$54.75	\$56.70	\$59.44										Hourly	12/13/2025
50052177	Hazardous Waste Foreman/Woman Light with hazmat	12	IBEW915X	\$69.97																	Hourly	12/13/2025
50052178	Hazardous Waste Technician with hazmat	12	IBEW878X	\$36.61	\$38.19	\$50.88	\$51.56	\$53.20	\$54.87	\$56.82	\$59.56										Hourly	12/13/2025
50154338	Head Gardener	12	IBEW919D	\$45.69																	Hourly	12/13/2025
50051703	Head Gardener Closed Classification	12	IBEW863A	\$53.44																	Hourly	12/13/2025
50154339	Head Gardener with class A	12	IBEW919F	\$46.84																	Hourly	12/13/2025
50051704	Head Gardener with class A Closed Classification	12	IBEW863L	\$54.59																	Hourly	12/13/2025
50154340	Head Gardener with hazmat	12	IBEW919G	\$46.96																	Hourly	12/13/2025
50051705	Head Gardener with hazmat Closed Classification	12	IBEW863X	\$54.71																	Hourly	12/13/2025
50053171	Heavy Duty Equipment Operator	12	IBEW893F	\$63.42																	Hourly	12/13/2025
50051706	Heavy Duty Equipment Operator Apprentice	48	IBEW877A	\$41.21	\$43.91	\$46.66	\$49.37	\$52.05	\$54.79	\$57.49	\$60.22										Hourly	12/13

N/ designates non-civil service jobs
F designates non-journey flex jobs

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51000002	High Voltage Electrician Apprentice with Hazmat	48	IBEW918C	\$48.45	\$51.60	\$54.66	\$57.77	\$60.91	\$64.02	\$67.06	\$70.22		Hourly	12/13/2025
51000004	High Voltage Electrician with Class A	12	IBEW925D	\$73.74									Hourly	12/13/2025
51000005	High Voltage Electrician with Hazmat	12	IBEW925E	\$73.86									Hourly	12/13/2025
61000001	High Voltage Test Apprentice	48	IBEW918A	\$45.36	\$48.39	\$51.33	\$54.33	\$57.35	\$60.34	\$63.26	\$66.30		Hourly	12/13/2025
50099375	High Voltage Test Technician	12	IBEW921E	\$69.36									Hourly	12/13/2025
50083170	Human Resources Analyst Entry	F	PAS00450	\$84,489.60								\$111,883.20	Annually	12/13/2025
50051710	Human Resources Analyst Journey	12	PAS00540	\$105,456.00								\$139,651.20	Annually	12/13/2025
50092250	Human Resources Technician Confidential	6	CONF702A	\$39.15	\$40.13	\$41.17	\$42.24	\$43.33	\$44.39	\$45.56	\$46.72	\$47.91	Hourly	12/13/2025
50051712	Hydro Electrician Foreman/Woman Light	12	IBEW940A	\$83.09									Hourly	12/13/2025
50099279	Hydro Electrician Foreman/Woman Light On Call	12	IBEW941C	\$84.30									Hourly	12/13/2025
50051713	Hydro Electrician Foreman/Woman Light with class A	12	IBEW940B	\$84.24									Hourly	12/13/2025
50051714	Hydro Electrician Foreman/Woman Light with hazmat	12	IBEW940C	\$84.36									Hourly	12/13/2025
50099894	Hydro Electrician Operator Foreman/Woman Light	12	IBEW945C	\$82.22									Hourly	12/13/2025
50051735	Hydro Field Technician	12	IBEW915A	\$64.96									Hourly	12/13/2025
50098810	Hydro Field Technician Foreman/Woman Light	12	IBEW939B	\$76.79									Hourly	12/13/2025
50098811	Hydro Field Technician Foreman/Woman Light with class A	12	IBEW939F	\$77.94									Hourly	12/13/2025
50098809	Hydro Field Technician Foreman/Woman Light with hazmat	12	IBEW939H	\$78.06									Hourly	12/13/2025
50051736	Hydro Field Technician with class A	12	IBEW915F	\$66.11									Hourly	12/13/2025
50051737	Hydro Field Technician with hazmat	12	IBEW915H	\$66.23									Hourly	12/13/2025
50051720	Hydro Mechanic Foreman/Woman Light	12	IBEW937H	\$76.26									Hourly	12/13/2025
50099281	Hydro Mechanic Foreman/Woman Light On Call	12	IBEW939A	\$80.77									Hourly	12/13/2025
50051721	Hydro Mechanic Foreman/Woman Light with class A	12	IBEW937M	\$77.41									Hourly	12/13/2025
50051722	Hydro Mechanic Foreman/Woman Light with hazmat	12	IBEW937Y	\$77.53									Hourly	12/13/2025
50154344	Hydro Operator	12	IBEW917C	\$75.47									Hourly	12/13/2025
50154345	Hydro Operator Apprentice	48	IBEW820B	\$49.07	\$52.31	\$55.52	\$58.76	\$62.01	\$65.21	\$68.46	\$72.77		Hourly	12/13/2025
50154346	Hydro Operator Apprentice with class A	48	IBEW820C	\$50.22	\$53.46	\$56.67	\$59.91	\$63.16	\$66.36	\$69.61	\$73.92		Hourly	12/13/2025
50154347	Hydro Operator Apprentice with hazmat	48	IBEW919H	\$50.34	\$53.58	\$56.79	\$60.03	\$63.28	\$66.48	\$69.73	\$74.04		Hourly	12/13/2025
50154348	Hydro Operator Foreman/Woman	12	IBEW941A	\$90.23									Hourly	12/13/2025
50154349	Hydro Operator Foreman/Woman with class A	12	IBEW941G	\$91.38									Hourly	12/13/2025
50051725	Hydro Operator with class A	12	IBEW928A	\$76.62									Hourly	12/13/2025
50051727	Hydro Overhaul Foreman/Woman	12	IBEW945B	\$79.06									Hourly	12/13/2025
50160050	Hydro Stationary Engineer Apprentice	12	IBEW851J	\$35.86	\$37.94	\$39.98	\$42.06	\$44.12	\$46.19	\$48.27	\$50.32	\$52.43	Hourly	12/13/2025
50160051	Hydro Stationary Engineer I	12	IBEW872G	\$55.17									Hourly	12/13/2025
50160052	Hydro Stationary Engineer II	12	IBEW865A	\$64.92									Hourly	12/13/2025
50164138	Hydro Stationary Engineer II with Class C-Hazmat	12	IBEW908K	\$65.67									Hourly	12/13/2025
50160026	Hydro Stationary Engineer II with hazmat	12	IBEW908X	\$66.19									Hourly	12/13/2025
50160200	Hydro Stationary Engineer Subforeman/Woman	12	IBEW922I	\$69.90									Hourly	12/13/2025
50160053	Hydro Stationary Engineer Subforeman/Woman Light	12	IBEW901K	\$74.26									Hourly	12/13/2025
50159432	Hydrographer Entry Level	F	PAS00470	\$88,795.20								\$117,540.80	Annually	12/13/2025
50051734	Hydrographer Journey	12	PAS00560	\$110,801.60								\$146,785.60	Annually	12/13/2025
50051738	Hydrography Specialist	12	OSE0750A	\$47.58	\$48.80	\$49.99	\$51.28	\$52.56	\$53.90	\$55.21	\$56.62	\$58.01	Hourly	12/13/2025
50051644	Image Production Postal Service Specialist I	F	OSE0646A	\$29.06	\$29.80	\$30.53	\$31.31	\$32.10	\$32.90	\$33.73	\$34.59	\$35.46	Hourly	12/13/2025
50052101	Image Production Postal Service Specialist II	6	OSE0657A	\$30.06	\$30.82	\$31.61	\$32.39	\$33.23	\$34.04	\$34.90	\$35.76	\$36.67	Hourly	12/13/2025
50052051	Image Production Postal Service Specialist III	6	OSE0670D	\$32.14	\$32.93	\$33.73	\$34.55	\$35.41	\$36.32	\$37.24	\$38.12	\$39.10	Hourly	12/13/2025
50161011	Information Management Analyst Entry	F	PAS00430	\$80,433.60								\$106,537.60	Annually	12/13/2025
50112642	Information Management Analyst Journey	12	PAS00520	\$100,422.40								\$132,995.20	Annually	12/13/2025
50051741	Information Technology Auditor	12	PAS00560	\$110,801.60								\$146,785.60	Annually	12/13/2025
50051742	Information Technology Business Relationship Management Analyst	12	PAS00590	\$119,308.80								\$158,059.20	Annually	12/13/2025
50051747	Information Technology Procurement Contract Specialist	12	PAS00540	\$105,456.00								\$139,651.20	Annually	12/13/2025
50051748	Information Technology Project Manager	12	PAS00660	\$141,814.40								\$187,824.00	Annually	12/13/2025
50051749	Information Technology Supervisor	12	PAS00660	\$141,814.40								\$187,824.00	Annually	12/13/2025
50162765	Information Technology Technician	6	OSE0710A	\$39.09	\$40.04	\$41.04	\$42.09	\$43.16	\$44.18	\$45.32	\$46.45	\$47.58	Hourly	12/13/2025
50051743	Instructor	12	IBEW938A	\$76.56									Hourly	12/13/2025
50143123	Insurance Program Manager	12	PAS00640	\$134,971.20								\$178,776.00	Annually	12/13/2025
50092220	Interactive Voice Response Coordinator	12	PAS00540	\$105,456.00								\$139,651.20	Annually	12/13/2025
61000054	Intermediate Resource Optimization Specialist	12	PAS00540	\$105,456.00								\$139,651.20	Annually	4/6/2026
61000052	Intermediate Security Administrator	F	PAS00540	\$105,456.00								\$139,651.20	Annually	12/23/2025
50083226	Internal Auditor Entry Level	F	PAS00450	\$84,489.60								\$111,883.20	Annually	12/13/2025
50051744	Internal Auditor Journey	12	PAS00540	\$105,456.00								\$139,651.20	Annually	12/13/2025
50051745	Inventory Technician	6	OSE0695A	\$36.32	\$37.24	\$38.12	\$39.10	\$40.07	\$41.04	\$42.10	\$43.17	\$44.23	Hourly	12/13/2025
61000036	IT Business Relationship Manager Analyst Entry	F	PAS00450	\$81,244.80								\$107,577.60	Annually	9/20/2025
61000036	IT Business Relationship Manager Analyst Entry	F	PAS00450	\$84,489.60								\$111,883.20	Annually	12/13/2025
61000058	Journey Resource Optimization Specialist	12	PAS00620	\$128,481.60								\$170,144.00	Annually	4/4/2026
50096950	Labor Relations Analyst Entry Level	F	PAS00450	\$84,489.60								\$111,883.20	Annually	12/13/2025
50086678	Labor Relations Analyst Journey Level	12	PAS00540	\$105,456.00								\$139,651.20	Annually	12/13/2025
50083228	Land Agent A	6	OSE0725A	\$38.56	\$39.47	\$40.46	\$41.47					\$139,651.20	Hourly	12/13/2025
50083227	Land Agent B	6	OSE0725B	\$42.53	\$43.61	\$44.63	\$45.79	\$46.92	\$48.07				Hourly	12/13/2025
50051757	Land Agent C	6	OSE0725C	\$49.30	\$50.56	\$51.79	\$53.07	\$54.40	\$55.72	\$57.14	\$58.54	\$60.06	Hourly	12/13/2025
50136479	Land Recreation & Ecological Specialist	12	PAS00590	\$119,308.80								\$158,059.20	Annually	12/13/2025
50083229	Land Specialist Entry	F	PAS0043B	\$80,433.60								\$111,883.20	Annually	12/13/2025
50051758	Land Specialist Journey	12	PAS0052B	\$100,422.40								\$139,651.20	Annually	12/13/2025
50126010	Land Surveyor	12	PAS00560	\$110,801.60								\$146,785.60	Annually	12/13/2025
50051756	Law Clerk	CONF300A	\$36.49	\$37.38	\$38.33								Hourly	12/13/2025
50162418	Lead Distribution System Operator	12	IBEW984D	\$105.06									Hourly	12/13/2025
50101752	Lead Office Technician	6	OSE0688A	\$35.34	\$36.22	\$37.12	\$38.07	\$38.99	\$39.98	\$40.99	\$42.02	\$43.07	Hourly	12/13/2025
50119427	Lead Office Technician Confidential	6	CONF688A	\$38.11	\$39.06	\$40.06	\$41.05	\$42.07	\$43.14	\$44.23	\$45.29	\$46.46	Hourly	12/13/2025
61000002	Lead Telecomm Technician	12	IBEW933B	\$83.34									Hourly	12/13/2025
50051760	Lead Tool Repairer	12	IBEW922I	\$69.90									Hourly	12/13/2025
50165758	Lead Utility Compliance Specialist	12	IBEW828K	\$53.62									Hourly	12/13/2025
50154184	Lead Vehicle Mechanic	12	IBEW888D	\$64.79									Hourly	12/13/2025
50051761	Lead Vehicle Mechanic Closed Classification	12	IBEW888D	\$64.79									Hourly	12/13/2025
50154185	Lead Vehicle Mechanic with class A	12	IBEW888F	\$65.94									Hourly	12/13/2025
50051762	Lead Vehicle Mechanic with class A Closed Classification	12	IBEW888F	\$65.94									Hourly	12/13/2025
50154186	Lead Vehicle Mechanic with hazmat	12	IBEW888H	\$66.06									Hourly	12/13/2025
50051763	Lead Vehicle Mechanic with hazmat Closed Classification	12	IBEW888H	\$66.06									Hourly	12/13/2025
50164311	Lead Vehicle Mechanic with hazmat Fresh Pond	12	IBEW904A	\$70.60									Hourly	12/13/2025
50164525	Lead Vehicle Mechanic with hazmat Fresh Pond Closed Classification	12	IBEW904A	\$70.60									Hourly	12/13/2025

N/ designates non-civil service jobs
F designates non-journey flex jobs

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50160076	Learning and Development Specialist Entry Level	F	PAS00450	\$84,489.60																\$111,883.20	Annually	12/13/2025
50160077	Learning and Development Specialist Journey	12	PAS00540	\$105,456.00																\$139,651.20	Annually	12/13/2025
50169820	Legal Analyst	12	PAS00520	\$100,422.40																\$132,995.20	Annually	12/13/2025
50090306	Legal Assistant Confidential	6	CONF706A	\$40.73	\$41.74	\$42.82	\$43.93	\$45.04	\$46.19	\$47.38	\$48.58	\$49.84									Hourly	12/13/2025
50133108	Legislative & Regulatory Coordinator Closed Classification	12	PAS00720	\$164,382.40																\$217,796.80	Annually	12/13/2025
50153089	Legislative & Regulatory Program Manager	N/	PAS00690	\$152,672.00																\$202,217.60	Annually	12/13/2025
50083472	Line Construction Foreman/Woman	12	IBEW976D	\$102.76																	Hourly	12/13/2025
50083473	Line Construction Foreman/Woman with class A	12	IBEW976C	\$103.91																	Hourly	12/13/2025
50083474	Line Construction Foreman/Woman with hazmat	12	IBEW976X	\$104.03																	Hourly	12/13/2025
50154187	Line Equipment Operator Assistant with class A	12	IBEW795A	\$37.25	\$38.90	\$41.80	\$44.59	\$47.61													Hourly	12/13/2025
50128409	Line Equipment Operator Assistant with class A Closed Classification	12	IBEW795A	\$37.25	\$38.90	\$41.80	\$44.59	\$47.61													Hourly	12/13/2025
50154188	Line Equipment Operator with class A	12	IBEW862D	\$64.57																	Hourly	12/13/2025
50169850	Line Equipment Operator with Crane and class A	12	IBEW862G	\$65.57																	Hourly	12/13/2025
50169852	Line Equipment Operator with Crane and hazmat	12	IBEW862F	\$65.69																	Hourly	12/13/2025
50154140	Line Equipment Operator with hazmat	12	IBEW862E	\$64.69																	Hourly	12/13/2025
50051767	Line Foreman/Woman Light	12	IBEW965R	\$96.54																	Hourly	12/13/2025
50051768	Line Foreman/Woman Light with class A	12	IBEW965C	\$97.69																	Hourly	12/13/2025
50142318	Line Inspector I	12	IBEW933A	\$84.97																	Hourly	12/13/2025
50156652	Line Inspector I with class A	12	IBEW933C	\$86.12																	Hourly	12/13/2025
50108831	Line Inspector II	12	IBEW941R	\$90.74																	Hourly	12/13/2025
50114932	Line Inspector II with class A	12	IBEW941D	\$91.89																	Hourly	12/13/2025
50051770	Line Sub Foreman/Woman	12	IBEW941R	\$90.74																	Hourly	12/13/2025
50051771	Line Sub Foreman/Woman with class A	12	IBEW941D	\$91.89																	Hourly	12/13/2025
50083463	Lineman/Woman	12	IBEW933A	\$84.97																	Hourly	12/13/2025
50083460	Lineman/Woman Apprentice	49	IBEW922R	\$55.25	\$58.88	\$62.52	\$66.17	\$69.76	\$73.43	\$77.09	\$80.73										Hourly	12/13/2025
50083461	Lineman/Woman Apprentice with class A	49	IBEW922C	\$56.40	\$60.03	\$63.67	\$67.32	\$70.91	\$74.58	\$78.24	\$81.88										Hourly	12/13/2025
50083462	Lineman/Woman Apprentice with hazmat	49	IBEW922Z	\$56.52	\$60.15	\$63.79	\$67.44	\$71.03	\$74.70	\$78.36	\$82.00										Hourly	12/13/2025
50083464	Lineman/Woman with class A	12	IBEW933C	\$86.12																	Hourly	12/13/2025
50083465	Lineman/Woman with hazmat	12	IBEW933X	\$86.24																	Hourly	12/13/2025
50136767	Lineman/Woman with helicopter	12	IBEW933Y	\$90.92																	Hourly	12/13/2025
50154416	Maintenance Carpenter	12	IBEW865A	\$64.92																	Hourly	12/13/2025
50154417	Maintenance Carpenter Apprentice	48	IBEW879F	\$42.19	\$44.64	\$47.05	\$49.51	\$51.93	\$54.37	\$56.82	\$59.22	\$61.68									Hourly	12/13/2025
50083233	Maintenance Carpenter Apprentice Close Classification	48	IBEW879F	\$42.19	\$44.64	\$47.05	\$49.51	\$51.93	\$54.37	\$56.82	\$59.22	\$61.68									Hourly	12/13/2025
50051805	Maintenance Carpenter Closed Classification	12	IBEW865A	\$64.92																	Hourly	12/13/2025
50154459	Maintenance Carpenter Foreman/Woman Light	12	IBEW901K	\$74.26																	Hourly	12/13/2025
50115406	Maintenance Carpenter Foreman/Woman Light Closed Classification	12	IBEW901K	\$74.26																	Hourly	12/13/2025
50154460	Maintenance Carpenter Subforeman/Woman	12	IBEW922I	\$69.90																	Hourly	12/13/2025
50051806	Maintenance Carpenter Subforeman/Woman Closed Classification	12	IBEW922I	\$69.90																	Hourly	12/13/2025
50159375	Maintenance Carpenter with class A	12	IBEW872D	\$66.07																	Hourly	12/13/2025
50116282	Maintenance Carpenter with class A Closed Classification	12	IBEW872D	\$66.07																	Hourly	12/13/2025
50103121	Maintenance Planner General Services	12	PAS00620	\$128,481.60																\$170,144.00	Annually	12/13/2025
50103375	Maintenance Planner Power Production	12	PAS00620	\$128,481.60																\$170,144.00	Annually	12/13/2025
50112813	Maintenance Planner Substation & Telecommunications	12	PAS00620	\$128,481.60																\$170,144.00	Annually	12/13/2025
50115702	Maintenance Planner Transmission & Distribution Line Assets	12	PAS00620	\$128,481.60																\$170,144.00	Annually	12/13/2025
50051784	Management Analyst Entry	F	PAS00410	\$76,564.80																\$101,379.20	Annually	12/13/2025
50051785	Management Analyst Journey	12	PAS00490	\$93,225.60																\$123,531.20	Annually	12/13/2025
50128042	Manager Account Management & Sales	12	PAS00710	\$160,368.00																\$212,492.80	Annually	12/13/2025
50052019	Manager Accounting & Assistant Controller	12	PAS00660	\$141,814.40																\$187,824.00	Annually	12/13/2025
61000045	Manager Asset Monitoring and Optimization	12	PAS00710	\$154,190.40																\$204,318.40	Annually	10/28/2025
61000045	Manager Asset Monitoring and Optimization	12	PAS00710	\$160,368.00																\$212,492.80	Annually	12/13/2025
61000003	Manager Asset Operations Power Generation	12	PAS0076Q	\$173,867.20																\$271,814.40	Annually	10/18/2025
61000003	Manager Asset Operations Power Generation	12	PAS0076Q	\$180,814.40																\$282,692.80	Annually	12/13/2025
50051544	Manager Auditing	12	PAS00690	\$152,672.00																\$202,217.60	Annually	12/13/2025
60000016	Manager Benefits and Disability Management	N/	PAS00690	\$152,672.00																\$202,217.60	Annually	12/13/2025
50093079	Manager Business Intelligence & Operations Support	12	PAS00710	\$160,368.00																\$212,492.80	Annually	12/13/2025
50052025	Manager Career Development & Learning	12	PAS00690	\$152,672.00																\$202,217.60	Annually	12/13/2025
50140137	Manager Civil Engineering	12	PAS00760	\$173,867.20																\$230,360.00	Annually	10/18/2025
50140137	Manager Civil Engineering	12	PAS00760	\$180,814.40																\$239,574.40	Annually	12/13/2025
50169965	Manager Commodity and Operations Settlements	12	PAS00710	\$160,368.00																\$212,492.80	Annually	12/13/2025
61000033	Manager Commodity Risk Management	12	PAS00710	\$154,190.40																\$204,318.40	Annually	4/23/2025
61000033	Manager Commodity Risk Management	12	PAS00710	\$160,368.00																\$212,492.80	Annually	12/13/2025
50139537	Manager Community Development Outreach & Education	N/	PAS0064E	\$134,971.20																\$202,217.60	Annually	12/13/2025
50170818	Manager Community Education Workforce and Technology	N/	PAS0064E	\$129,771.20																\$194,438.40	Annually	12/14/2024
50170818	Manager Community Education Workforce and Technology	N/	PAS0064E	\$134,971.20																\$202,217.60	Annually	12/13/2025
61000004	Manager Compensation, Classification & Performance	N/	PAS00690	\$152,672.00																\$202,217.60	Annually	12/13/2025
50126108	Manager Corporate Communications	12	PAS00660	\$141,814.40																\$187,824.00	Annually	12/13/2025
50163673	Manager Customer Delivery	12	PAS00710	\$160,368.00																\$212,492.80	Annually	12/13/2025
50160766	Manager Customer Experience Planning	12	PAS00690	\$152,672.00																\$202,217.60	Annually	12/13/2025
61000043	Manager Customer Experience Planning & Integration	12	PAS00690	\$146,806.40																\$194,438.40	Annually	7/3/2025
61000043	Manager Customer Experience Planning & Integration	12	PAS00690	\$152,672.00																\$202,217.60	Annually	12/13/2025
50091780	Manager Customer Experience Strategy	12	PAS0066B	\$141,814.40																\$197,308.80	Annually	12/13/2025
50092302	Manager Customer Operations	12	PAS00640	\$134,971.20																\$178,776.00	Annually	12/13/2025
50167926	Manager Customer Strategy & Operations	12	PAS00660	\$141,814.40																\$187,824.00	Annually	12/13/2025
50160085	Manager Cybersecurity	12	PAS0066F	\$141,814.40																\$217,796.80	Annually	12/13/2025
50159037	Manager Digital User Experience	12	PAS0062D	\$128,481.60																\$187,844.80	Annually	12/13/2025
50131011	Manager Distributed Energy Strategy	12	PAS00750	\$169,603.20																\$224,744.00	Annually	10/18/2025
50131011	Manager Distributed Energy Strategy	12	PAS00750	\$176,384.00																\$233,729.60	Annually	12/13/2025
50162683	Manager Distributed Generation Interconnections	12	PAS00710	\$160,368.00																\$212,492.80	Annually	12/13/2025
50160208	Manager Distribution Operations Engineering	12	PAS00760	\$173,867.20																\$230,360.00	Annually	10/18/2025

2026 SMUD Wage Schedule
Effective 12/13/2025

[illegible]

N/ designates non-civil service jobs
F designates non-journey flex jobs

2026 SMUD Wage Schedule
Effective 12/13/2025

[illegible]

N/ designates non-civil service jobs
F designates non-journey flex jobs

2026 SMUD Wage Schedule
Effective 12/13/2025

50127179	Power System Operator Instructor II	12	PAS00690	\$152,672.00									\$202,217.60	Annually	12/13/2025
50051888	Pre-Apprentice Lineman/Woman		IBEW830A	\$37.54	\$39.26	\$42.28	\$45.18	\$48.32						Hourly	12/13/2025
50051889	Pre-Apprentice Lineman/Woman with class A		IBEW830L	\$38.69	\$40.41	\$43.43	\$46.33	\$49.47						Hourly	12/13/2025
50051890	Pre-Apprentice Lineman/Woman with hazmat		IBEW830X	\$38.81	\$40.53	\$43.55	\$46.45	\$49.59						Hourly	12/13/2025
50051899	Press Operator	6	OSE0685A	\$34.55	\$35.41	\$36.32	\$37.24	\$38.12	\$39.10	\$40.07	\$41.04	\$42.10		Hourly	12/13/2025
50051863	Principal Architect	12	PAS00690	\$152,672.00									\$202,217.60	Annually	12/13/2025
50051865	Principal Civil Engineer	12	PAS00690	\$152,672.00									\$202,217.60	Annually	12/13/2025
50167212	Principal Cybersecurity Engineer	12	PAS0066C	\$141,814.40									\$202,217.60	Annually	12/13/2025
50167113	Principal Cybersecurity Governance & Compliance Specialist	12	PAS0066C	\$141,814.40									\$202,217.60	Annually	12/13/2025
50167115	Principal Cybersecurity Risk Specialist	12	PAS0066C	\$141,814.40									\$202,217.60	Annually	12/13/2025
50170618	Principal Dam Safety Engineer	12	PAS00710	\$160,368.00									\$212,492.80	Annually	12/13/2025
50051866	Principal Distribution Design Engineer	12	PAS00730	\$161,491.20									\$213,886.40	Annually	10/18/2025
50051866	Principal Distribution Design Engineer	12	PAS00730	\$167,960.00									\$222,435.20	Annually	12/13/2025
61000012	Principal Distribution Operations Engineer	12	PAS00730	\$161,491.20									\$213,886.40	Annually	10/18/2025
61000012	Principal Distribution Operations Engineer	12	PAS00730	\$167,960.00									\$222,435.20	Annually	12/13/2025
50051867	Principal Distribution System Engineer	12	PAS00730	\$161,491.20									\$213,886.40	Annually	10/18/2025
50051867	Principal Distribution System Engineer	12	PAS00730	\$167,960.00									\$222,435.20	Annually	12/13/2025
50051869	Principal Electrical Engineer	12	PAS00730	\$161,491.20									\$213,886.40	Annually	10/18/2025
50051869	Principal Electrical Engineer	12	PAS00730	\$167,960.00									\$222,435.20	Annually	12/13/2025
50166561	Principal Employee Relations Analyst	12	PAS00620	\$128,481.60									\$170,144.00	Annually	12/13/2025
50131800	Principal Energy Advisor	12	PAS00640	\$134,971.20									\$178,776.00	Annually	12/13/2025
50139903	Principal Energy Management System Engineer	12	PAS00730	\$161,491.20									\$213,886.40	Annually	10/18/2025
50139903	Principal Energy Management System Engineer	12	PAS00730	\$167,960.00									\$222,435.20	Annually	12/13/2025
50108932	Principal Energy Trading Specialist	12	PAS00690	\$152,672.00									\$202,217.60	Annually	12/13/2025
50140366	Principal Engineer Closed Classification		PAS00690	\$152,672.00									\$202,217.60	Annually	12/13/2025
50051870	Principal Engineering Technician	12	OSE0755A	\$48.56	\$49.78	\$51.00	\$52.30	\$53.61	\$54.94	\$56.33	\$57.75	\$59.17		Hourly	12/13/2025
50090325	Principal Enterprise Technology Analyst	12	PAS00660	\$141,814.40									\$187,824.00	Annually	12/13/2025
50089613	Principal Enterprise Technology Developer	12	PAS00660	\$141,814.40									\$187,824.00	Annually	12/13/2025
61000034	Principal Enterprise Technology Infrastructure Specialist	12	PAS00660	\$136,364.80									\$180,606.40	Annually	4/23/2025
61000034	Principal Enterprise Technology Infrastructure Specialist	12	PAS00660	\$141,814.40									\$187,824.00	Annually	12/13/2025
50051871	Principal Financial Accountant	12	PAS00620	\$128,481.60									\$170,144.00	Annually	12/13/2025
50051872	Principal Financial Analyst	12	PAS00640	\$134,971.20									\$178,776.00	Annually	12/13/2025
50051873	Principal Instrument & Controls Engineer	12	PAS00730	\$161,491.20									\$213,886.40	Annually	10/18/2025
50051873	Principal Instrument & Controls Engineer	12	PAS00730	\$167,960.00									\$222,435.20	Annually	12/13/2025
50132976	Principal Market Analyst	12	PAS00660	\$141,814.40									\$187,824.00	Annually	12/13/2025
50051876	Principal Market Research Specialist	12	PAS00620	\$128,481.60									\$170,144.00	Annually	12/13/2025
50051877	Principal Market Risk Specialist	12	PAS00660	\$141,814.40									\$187,824.00	Annually	12/13/2025
50051875	Principal Mechanical Engineer	12	PAS00690	\$152,672.00									\$202,217.60	Annually	12/13/2025
50052086	Principal Network Engineer Operations Technology	12	PAS00660	\$141,814.40									\$187,824.00	Annually	12/13/2025
50139965	Principal Operations Management System Specialist Closed Classification	12	PAS00690	\$152,672.00									\$202,217.60	Annually	12/13/2025
50051879	Principal Plant Accountant	12	PAS00590	\$119,308.80									\$158,059.20	Annually	12/13/2025
50051880	Principal Power Contract Specialist	12	PAS00690	\$152,672.00									\$202,217.60	Annually	12/13/2025
50051881	Principal Power Operations Engineer	12	PAS00730	\$161,491.20									\$213,886.40	Annually	10/18/2025
50051881	Principal Power Operations Engineer	12	PAS00730	\$167,960.00									\$222,435.20	Annually	12/13/2025
50161716	Principal Power System Analyst	12	PAS00660	\$141,814.40									\$187,824.00	Annually	12/13/2025
50088004	Principal Protection Engineer	12	PAS00730	\$161,491.20									\$213,886.40	Annually	10/18/2025
50088004	Principal Protection Engineer	12	PAS00730	\$167,960.00									\$222,435.20	Annually	12/13/2025
50051882	Principal Rate Analyst	12	PAS00620	\$128,481.60									\$170,144.00	Annually	12/13/2025
61000056	Principal Resource Optimization Specialist	12	PAS00690	\$152,672.00									\$202,217.60	Annually	4/4/2026
50051884	Principal Resource Planning Analyst	12	PAS00660	\$141,814.40									\$187,824.00	Annually	12/13/2025
61000024	Principal Substation Engineer	12	PAS00730	\$161,491.20									\$213,886.40	Annually	10/18/2025
61000024	Principal Substation Engineer	12	PAS00730	\$167,960.00									\$222,435.20	Annually	12/13/2025
50051886	Principal Telecommunications Engineer	12	PAS00730	\$161,491.20									\$213,886.40	Annually	10/18/2025
50051886	Principal Telecommunications Engineer	12	PAS00730	\$167,960.00									\$222,435.20	Annually	12/13/2025
50051887	Principal Transmission Planning Engineer	12	PAS00730	\$161,491.20									\$213,886.40	Annually	10/18/2025
50051887	Principal Transmission Planning Engineer	12	PAS00730	\$167,960.00									\$222,435.20	Annually	12/13/2025
50093101	Process Coordinator Commercial Development	12	PAS00660	\$141,814.40									\$187,824.00	Annually	12/13/2025
50093077	Process Coordinator Customer Operations	12	PAS00660	\$141,814.40									\$187,824.00	Annually	12/13/2025
50083168	Procurement Compliance Program Administrator	12	PAS00560	\$110,801.60									\$146,785.60	Annually	12/13/2025
50086500	Procurement Specialist Entry	F	PAS00430	\$80,433.60									\$106,537.60	Annually	12/13/2025
50086476	Procurement Specialist Journey	12	PAS00520	\$100,422.40									\$132,995.20	Annually	12/13/2025
50083476	Procurement Supervisor	12	PAS00620	\$128,481.60									\$170,144.00	Annually	12/13/2025
50095463	Product Services Coordinator	12	PAS00560	\$110,801.60									\$146,785.60	Annually	12/13/2025
50051591	Product Services Specialist	12	PAS00540	\$105,456.00									\$139,651.20	Annually	12/13/2025
50083245	Productivity Analyst Entry	F	PAS00430	\$80,433.60									\$106,537.60	Annually	12/13/2025
50051893	Productivity Analyst Journey	12	PAS00520	\$100,422.40									\$132,995.20	Annually	12/13/2025
50162852	Program Manager Critical Infrastructure Protection	12	PAS00690	\$152,672.00									\$202,217.60	Annually	12/13/2025
50162981	Program Manager Cybersecurity	12	PAS0066C	\$141,814.40									\$202,217.60	Annually	12/13/2025
50160537	Program Manager Data Governance	12	PAS0062D	\$128,481.60									\$187,844.80	Annually	12/13/2025
50100228	Program Manager Energy Efficiency and Customer Research and Development	12	PAS00710	\$160,368.00									\$212,492.80	Annually	12/13/2025
61000014	Program Manager Enterprise Risk	12	PAS00660	\$141,814.40									\$187,824.00	Annually	12/13/2025
50166590	Program Manager Future Workforce	12	PAS00620	\$128,481.60									\$170,144.00	Annually	12/13/2025
50170541	Program Manager Innovation	12	PAS00660	\$141,814.40									\$187,824.00	Annually	12/13/2025
50139508	Program Manager Local Government	12	PAS00660	\$141,814.40									\$187,824.00	Annually	12/13/2025
50153614	Program Manager Regulatory Compliance	12	PAS00690	\$152,672.00									\$202,217.60	Annually	12/13/2025
50168122	Program Manager Social Media	N/	PAS0059C	\$119,308.80									\$170,144.00	Annually	12/13/2025
61000020	Program Manager Sustainable Communities	12	PAS0062D	\$128,481.60									\$170,144.00	Annually	12/13/2025
50114096	Program Manager System Operations and Reliability	12	PAS00780	\$173,867.20									\$230,360.00	Annually	10/18/2025
50114096	Program Manager System Operations and Reliability	12	PAS00780	\$180,814.40									\$239,574.40	Annually	12/13/2025
61000018	Program Manager Time and Attendance	12	PAS00620	\$128,481.60									\$170,144.00	Annually	12/13/2025
50160926	Program Manager Vegetation Management	12	PAS0059C	\$119,308.80									\$170,144.00	Annually	12/13/2025
50126307	Program Manager DEIB	12	PAS00620	\$128,481.60									\$170,144.00	Annually	12/13/2025
50120124	Program Manager Information Management & Compliance	12	PAS00620	\$128,481.60									\$170,144.00	Annually	12/13/2025
50135827	Project Development Manager	12	PAS00690	\$152,672.00									\$202,217.60	Annually	12/13/2025
50111813	Project Integration Manager	12	PAS00710	\$160,368.00									\$212,492.80	Annually	12/13/2025
50051896	Project Manager I	12	PAS00560	\$110,801.60									\$146,785.60	Annually	12/13/2025
50051897	Project Manager II	12	PAS00620	\$128,481.60									\$170,144.00	Annually	12/13/2025

N/ designates non-civil service jobs
F designates non-journey flex jobs

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50051900	Public Information Specialist I	F	PAS00450	\$84,489.60																\$111,883.20	Annually	12/13/2025
50051901	Public Information Specialist II	12	PAS00540	\$105,456.00																\$139,651.20	Annually	12/13/2025
50121215	Quality Auditor Journey Level	12	PAS00560	\$110,801.60																\$146,785.60	Annually	12/13/2025
50083247	Rate Analyst Entry	F	PAS00450	\$84,489.60																\$111,883.20	Annually	12/13/2025
50051916	Rate Analyst Journey	12	PAS00540	\$105,456.00																\$139,651.20	Annually	12/13/2025
50095131	Rate Pricing Advisor	12	PAS00660	\$141,814.40																\$187,824.00	Annually	12/13/2025
50130984	Regulatory Compliance Analyst Entry level	F	PAS00450	\$84,489.60																\$111,883.20	Annually	12/13/2025
50130983	Regulatory Compliance Analyst Journey	12	PAS00540	\$105,456.00																\$139,651.20	Annually	12/13/2025
50131203	Regulatory Coordinator Generation	12	PAS00620	\$128,481.60																\$170,144.00	Annually	12/13/2025
50104213	Relay Specialist	12	PAS00590	\$119,308.80																\$158,059.20	Annually	12/13/2025
50160580	Reliability Compliance Manager	N/	PAS00720	\$164,382.40																\$217,796.80	Annually	12/13/2025
50051616	Reliability Risk Engineer	12	PAS00690	\$152,672.00																\$202,217.60	Annually	12/13/2025
50167855	Resource Planning Analyst Entry Level	F	PAS00470	\$88,795.20																\$117,540.80	Annually	12/13/2025
50167858	Resource Planning Analyst Journey	12	PAS00560	\$110,801.60																\$146,785.60	Annually	12/13/2025
50092218	Retail Partner Coordinator	12	PAS00540	\$105,456.00																\$139,651.20	Annually	12/13/2025
50150275	Revenue Analyst Entry	F	PAS00430	\$80,423.60																\$106,537.60	Annually	12/13/2025
50116324	Revenue Analyst Journey	F	PAS00520	\$100,422.40																\$132,995.20	Annually	12/13/2025
50154804	Revenue Protection Representative (IBEW)	12	IBEW873N	\$56.88	\$58.70	\$60.77	\$63.64														Hourly	12/13/2025
50051920	Revenue Protection Representative (IBEW) Closed Classification	12	IBEW873N	\$56.88	\$58.70	\$60.77	\$63.64														Hourly	12/13/2025
50051918	Risk Management Analyst Journey Level	12	PAS00520	\$100,422.40																\$132,995.20	Annually	12/13/2025
50051921	Safety and Loss Prevention Specialist Journey	12	PAS00490	\$93,225.60																\$123,531.20	Annually	12/13/2025
50051922	Safety Coordinator	12	PAS00560	\$110,801.60																\$146,785.60	Annually	12/13/2025
50083249	Safety Loss Prevention Specialist Entry Level	F	PAS00410	\$76,564.80																\$101,379.20	Annually	12/13/2025
50170250	Scheduling & Interchange Services Specialist I	12	PAS00660	\$141,814.40																\$187,824.00	Annually	12/13/2025
50170252	Scheduling & Interchange Services Specialist II	12	PAS00690	\$152,672.00																\$202,217.60	Annually	12/13/2025
50051935	Scheduling Technician	6	OSE0670D	\$32.14	\$32.93	\$33.73	\$34.55	\$35.41	\$36.32	\$37.24	\$38.12	\$39.10									Hourly	12/13/2025
50051926	Secretary	6	OSE0637A	\$27.39	\$28.13	\$28.82	\$29.54	\$30.31	\$31.04	\$31.84	\$32.66	\$33.46									Hourly	12/13/2025
50083605	Security Administrator	12	PAS00590	\$119,308.80																\$158,059.20	Annually	12/13/2025
50166825	Security Investigator	12	PAS00540	\$105,456.00																\$139,651.20	Annually	12/13/2025
50124535	Security Operations Dispatcher	12	SEC0248L	\$31.57	\$32.37	\$33.18	\$34.03	\$34.88	\$35.78	\$36.67	\$37.64	\$38.59									Hourly	12/13/2025
50113765	Security Operations Supervisor	12	SEC0450A	\$44.15	\$45.24	\$46.39	\$47.54	\$48.73	\$49.95	\$51.21	\$52.48	\$53.79									Hourly	12/13/2025
50094275	Senior Accountant	12	PAS00590	\$119,308.80																\$158,059.20	Annually	12/13/2025
50052030	Senior Administrative Assistant	N/	PAS00450	\$84,489.60																\$111,883.20	Annually	12/13/2025
50052032	Senior Architect	12	PAS00660	\$141,814.40																\$187,824.00	Annually	12/13/2025
50052033	Senior Attorney	N/	PAS00722	\$164,382.40																\$271,918.40	Annually	12/13/2025
50052034	Senior Business Technology Analyst	12	PAS00590	\$119,308.80																\$158,059.20	Annually	12/13/2025
50120609	Senior Cable Locator	12	IBEW888L	\$62.82																	Hourly	12/13/2025
50122828	Senior Cable Locator with class A	12	IBEW888N	\$63.97																	Hourly	12/13/2025
50052037	Senior Calibration Technician	12	IBEW937A	\$75.24																	Hourly	12/13/2025
50052038	Senior Civil Engineer	12	PAS00660	\$141,814.40																\$187,824.00	Annually	12/13/2025
50161721	Senior Claims Administrator	12	PAS00590	\$119,308.80																\$158,059.20	Annually	12/13/2025
50166301	Senior Community Engagement Representative	12	PAS00590	\$119,308.80																\$158,059.20	Annually	12/13/2025
50052039	Senior Computer Hardware Support Specialist Closed Classification	12	PAS00590	\$119,308.80																\$158,059.20	Annually	12/13/2025
50122844	Senior Construction Contract Analyst	12	PAS00560	\$110,801.60																\$146,785.60	Annually	12/13/2025
60000020	Senior Contract Administrator	12	PAS0059A	\$119,308.80																\$162,032.00	Annually	12/13/2025
50052036	Senior Cost Schedule Specialist	12	PAS00540	\$105,456.00																\$139,651.20	Annually	12/13/2025
50052040	Senior Custodian	12	IBEW814A	\$41.78																	Hourly	12/13/2025
50052043	Senior Customer Services Representative	6	OSE0700A	\$37.24	\$38.12	\$39.10	\$40.08	\$41.05	\$42.11	\$43.18	\$44.23	\$45.33									Hourly	12/13/2025
50167119	Senior Cybersecurity Engineer	12	PAS00640	\$134,971.20																\$178,776.00	Annually	12/13/2025
50167118	Senior Cybersecurity Governance & Compliance Specialist	12	PAS00640	\$134,971.20																\$178,776.00	Annually	12/13/2025
50167210	Senior Cybersecurity Risk Specialist	12	PAS00640	\$134,971.20																\$178,776.00	Annually	12/13/2025
50165225	Senior Data Center Operations Specialist	12	PAS00520	\$100,422.40																\$132,995.20	Annually	12/13/2025
50052045	Senior Database Administrator	12	PAS00640	\$134,971.20																\$178,776.00	Annually	12/13/2025
61000030	Senior DEIB Analyst	12	PAS00590	\$114,712.00																\$151,985.60	Annually	12/14/2024
61000030	Senior DEIB Analyst	12	PAS00590	\$119,308.80																\$158,059.20	Annually	12/13/2025
50052046	Senior Designer Drafter	6	OSE0735B	\$44.23	\$45.32	\$46.46	\$47.58	\$48.80	\$49.99	\$51.28	\$52.57	\$53.91									Hourly	12/13/2025
50052049	Senior Desktop Support Specialist Closed Classification	12	PAS00590	\$119,308.80																\$158,059.20	Annually	12/13/2025
50052047	Senior Distribution Design Engineer	12	PAS00700	\$150,009.60																\$198,660.80	Annually	10/18/2025
50052047	Senior Distribution Design Engineer	12	PAS00700	\$156,000.00																\$206,606.40	Annually	12/13/2025
61000013	Senior Distribution Operations Engineer	12	PAS00700	\$150,009.60																\$198,660.80	Annually	10/18/2025
61000013	Senior Distribution Operations Engineer	12	PAS00700	\$156,000.00																\$206,606.40	Annually	12/13/2025
50052048	Senior Distribution System Engineer	12	PAS00700	\$150,009.60																\$198,660.80	Annually	10/18/2025
50052048	Senior Distribution System Engineer	12	PAS00700	\$156,000.00																\$206,606.40	Annually	12/13/2025
50159864	Senior Distribution System Operator	12	IBEW986D	\$110.30																	Hourly	12/13/2025
50052050	Senior Document Records Specialist	6	OSE0650B	\$29.42	\$30.15	\$30.94	\$31.68	\$32.51	\$33.32	\$34.16	\$35.00	\$35.88									Hourly	12/13/2025
50090305	Senior Document Records Specialist-Confidential	6	CONF0650B	\$32.23	\$33.04	\$33.87	\$34.72	\$35.59	\$36.48	\$37.39	\$38.33	\$39.30									Hourly	12/13/2025
50052052	Senior Electrical Engineer	12	PAS00700	\$150,009.60																\$198,660.80	Annually	10/18/2025
50052052	Senior Electrical Engineer	12	PAS00700	\$156,000.00																\$206,606.40	Annually	12/13/2025
50137575	Senior Electrical Technician	12	IBEW960B	\$92.56																	Hourly	12/13/2025
50164848	Senior End User Computing Analyst	12	PAS00470	\$88,795.20																\$117,540.80	Annually	12/13/2025
50131801	Senior Energy Advisor	12	PAS00560	\$110,801.60																\$146,785.60	Annually	12/13/2025
50139897	Senior Energy Management System Engineer	12	PAS00700	\$150,009.60																\$198,660.80	Annually	10/18/2025
50139897	Senior Energy Management System Engineer	12	PAS00700	\$156,000.00																\$206,606.40	Annually	12/13/2025
50168853	Senior Energy Specialist	6	OSE0765A	\$55.21	\$56.61	\$58.01	\$59.49	\$60.98	\$62.48	\$64.04	\$65.63	\$67.30									Hourly	12/13/2025
50108901	Senior Energy Trading Specialist	12	PAS00670	\$145,392.00																\$192,504.00	Annually	12/13/2025
50052055	Senior Engineering Technician	6	OSE0735A	\$44.22	\$45.32	\$46.46	\$47.63	\$48.83	\$50.07	\$51.32	\$52.58	\$53.94									Hourly	12/13/2025
50083624	Senior Enterprise Application Administrator	12	PAS00640	\$134,971.20																\$178,776.00	Annually	12/13/2025

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50164575	Senior Geographic Information Systems Data Technician	6	OSE0750A	\$47.58	\$48.80	\$49.99	\$51.28	\$52.56	\$53.90	\$55.21	\$56.62	\$58.01		Hourly	12/13/2025
50052059	Senior Graphic Artist	6	OSE0720D	\$42.68	\$43.78	\$44.90	\$46.00	\$47.14	\$48.32	\$49.48	\$50.75	\$52.00		Hourly	12/13/2025
50164310	Senior High Voltage Test Technician	12	IBEW941M	\$77.20										Hourly	12/13/2025
50052060	Senior Human Resources Analyst	12	PAS0059O	\$119,308.80									\$158,059.20	Annually	12/13/2025
50154400	Senior Hydro Operator	12	IBEW931A	\$81.52										Hourly	12/13/2025
50161012	Senior Information Management Analyst	12	PAS0059O	\$119,308.80									\$158,059.20	Annually	12/13/2025
50052064	Senior Information Technology Application Developer Closed Classification	12	PAS0059O	\$119,308.80									\$158,059.20	Annually	12/13/2025
50052065	Senior Information Technology Auditor	12	PAS0062O	\$128,481.60									\$170,144.00	Annually	12/13/2025
50052068	Senior Information Technology Product Contract Specialist	12	PAS0059O	\$119,308.80									\$158,059.20	Annually	12/13/2025
50052069	Senior Information Technology Systems Analyst Closed Classification	12	PAS0059O	\$119,308.80									\$158,059.20	Annually	12/13/2025
50128232	Senior Instrument and Controls Engineer	12	PAS0070O	\$150,009.60									\$198,660.80	Annually	10/18/2025
50128232	Senior Instrument and Controls Engineer	12	PAS0070O	\$156,000.00									\$206,606.40	Annually	12/13/2025
50052071	Senior Internal Auditor	12	PAS0059O	\$119,308.80									\$158,059.20	Annually	12/13/2025
50099398	Senior Labor Relations Analyst	12	PAS0059O	\$119,308.80									\$158,059.20	Annually	12/13/2025
50051898	Senior Land Specialist	12	PAS0056B	\$110,801.60									\$154,211.20	Annually	12/13/2025
50160078	Senior Learning & Development Specialist	12	PAS0059O	\$119,308.80									\$158,059.20	Annually	12/13/2025
50122845	Senior Line Inspector	12	IBEW965R	\$96.54										Hourly	12/13/2025
50167750	Senior Management Administrative Assistant I	12	PAS0045O	\$84,489.60									\$111,883.20	Annually	12/13/2025
50170242	Senior Management Administrative Assistant II	12	PAS0049O	\$93,225.60									\$123,531.20	Annually	12/13/2025
50052073	Senior Mapper	6	OSE0713A	\$39.46	\$40.46	\$41.44	\$42.49	\$43.56	\$44.65	\$45.72	\$46.89	\$48.05		Hourly	12/13/2025
50091987	Senior Market Analyst	12	PAS0062O	\$128,481.60									\$170,144.00	Annually	12/13/2025
50160569	Senior Market Research Specialist	12	PAS0056O	\$110,801.60									\$146,785.60	Annually	12/13/2025
50102303	Senior Market Risk Specialist	12	PAS0062O	\$128,481.60									\$170,144.00	Annually	12/13/2025
50169475	Senior Market Strategy Analyst	12	PAS0062O	\$128,481.60									\$170,144.00	Annually	12/13/2025
50138025	Senior Marketing Specialist	12	PAS0059O	\$119,308.80									\$158,059.20	Annually	12/13/2025
50088378	Senior Material Planner Coordinator	12	PAS0052O	\$100,422.40									\$132,995.20	Annually	12/13/2025
50052077	Senior Mechanical Engineer	12	PAS0066O	\$141,814.40									\$187,824.00	Annually	12/13/2025
50052079	Senior Meter Technician	12	IBEW937B	\$77.65										Hourly	12/13/2025
50051840	Senior Network Engineer Operations Technology	12	PAS0064O	\$134,971.20									\$178,776.00	Annually	12/13/2025
50052087	Senior Office Specialist	6	OSE0671A	\$32.10	\$32.92	\$33.73	\$34.61	\$35.46	\$36.36	\$37.26	\$38.21	\$39.17		Hourly	12/13/2025
50122177	Senior Office Specialist-Confidential	6	CONF671A	\$34.61	\$35.47	\$36.36	\$37.29	\$38.23	\$39.21	\$40.15	\$41.16	\$42.21		Hourly	12/13/2025
50139846	Senior Operations Management System Specialist Closed Classification	12	PAS0066O	\$141,814.40									\$187,824.00	Annually	12/13/2025
50125952	Senior Organization Effectiveness Specialist	12	PAS0062O	\$128,481.60									\$170,144.00	Annually	12/13/2025
50085328	Senior Park Maintenance Worker	12	IBEW814A	\$41.78										Hourly	12/13/2025
50052090	Senior Physical Network Specialist Closed Classification	12	PAS0059O	\$119,308.80									\$158,059.20	Annually	12/13/2025
50052093	Senior Power Contracts Specialist	12	PAS0066O	\$141,814.40									\$187,824.00	Annually	12/13/2025
61000046	Senior Power Generation Electrical Engineer	12	PAS0070O	\$150,009.60									\$198,660.80	Annually	11/12/2025
61000046	Senior Power Generation Electrical Engineer	12	PAS0070O	\$156,000.00									\$206,606.40	Annually	12/13/2025
50118925	Senior Power Generation Mechanical Engineer	12	PAS0068O	\$141,814.40									\$187,824.00	Annually	12/13/2025
50136253	Senior Power Operations Engineer	12	PAS0070O	\$150,009.60									\$198,660.80	Annually	10/18/2025
50136253	Senior Power Operations Engineer	12	PAS0070O	\$156,000.00									\$206,606.40	Annually	12/13/2025
50052094	Senior Power System Analyst	12	PAS0062O	\$128,481.60									\$170,144.00	Annually	12/13/2025
50154603	Senior Power System Operator	12	IBEW990A	\$111.22										Hourly	12/13/2025
50052091	Senior Press Operator	6	OSE0714A	\$39.93	\$40.93	\$41.91	\$42.98	\$44.08	\$45.19	\$46.31	\$47.44	\$48.67		Hourly	12/13/2025
50086475	Senior Procurement Specialist	12	PAS0056O	\$110,801.60									\$146,785.60	Annually	12/13/2025
50095464	Senior Product Services Coordinator	12	PAS0062O	\$128,481.60									\$170,144.00	Annually	12/13/2025
61000008	Senior Productivity Analyst	12	PAS0056O	\$110,801.60									\$146,785.60	Annually	12/13/2025
50052092	Senior Project Manager	12	PAS0066O	\$141,814.40									\$187,824.00	Annually	12/13/2025
50088003	Senior Protection Engineer	12	PAS0070O	\$150,009.60									\$198,660.80	Annually	10/18/2025
50088003	Senior Protection Engineer	12	PAS0070O	\$156,000.00									\$206,606.40	Annually	12/13/2025
50051902	Senior Public Information Specialist	12	PAS0059O	\$119,308.80									\$158,059.20	Annually	12/13/2025
50052097	Senior Rate Analyst	12	PAS0059O	\$119,308.80									\$158,059.20	Annually	12/13/2025
61000031	Senior Reliability Risk Consultant	12	PAS0066O	\$136,364.80									\$180,606.40	Annually	8/13/2025
61000031	Senior Reliability Risk Consultant	12	PAS0066O	\$141,814.40									\$187,824.00	Annually	12/13/2025
61000057	Senior Resource Optimization Specialist	12	PAS0067O	\$145,392.00									\$192,504.00	Annually	4/4/2026
50052098	Senior Resource Planning Analyst	12	PAS0062O	\$128,481.60									\$170,144.00	Annually	12/13/2025
50098850	Senior Revenue Analyst	12	PAS0056O	\$110,801.60									\$146,785.60	Annually	12/13/2025
50087904	Senior Risk Management Analyst	12	PAS0059O	\$119,308.80									\$158,059.20	Annually	12/13/2025
50089612	Senior Security Administrator	12	PAS0064O	\$134,971.20									\$178,776.00	Annually	12/13/2025
50168121	Senior Social Media Specialist	12	PAS0056O	\$110,801.60									\$146,785.60	Annually	12/13/2025
50052070	Senior Software Quality Assurance Specialist	12	PAS0059O	\$119,308.80									\$158,059.20	Annually	12/13/2025
50052100	Senior Staff Secretary To Board Office Confidential	6	CONF667A	\$34.12	\$35.00	\$35.86	\$36.72	\$37.66	\$38.59	\$39.54	\$40.55	\$41.56		Hourly	12/13/2025
50089955	Senior Staff Secretary-Confidential	6	CONF671A	\$34.12	\$35.00	\$35.86	\$36.72	\$37.66	\$38.59	\$39.54	\$40.55	\$41.56		Hourly	12/13/2025
50160570	Senior Strategic Business Planner	12	PAS0066O	\$141,814.40									\$187,824.00	Annually	12/13/2025
61000021	Senior Substation Engineer	12	PAS0070O	\$150,009.60									\$198,660.80	Annually	10/18/2025
61000021	Senior Substation Engineer	12	PAS0070O	\$156,000.00									\$206,606.40	Annually	12/13/2025
50099177	Senior Survey Engineering Technician-Chief of Party	6	OSE0740A	\$45.32	\$46.46	\$47.58	\$48.80	\$49.99	\$51.28	\$52.56	\$53.91	\$55.22		Hourly	12/13/2025
50092752	Senior Survey Engineering Technician-Office Survey	6	OSE0735A	\$44.22	\$45.32	\$46.46	\$47.63	\$48.83	\$50.07	\$51.32	\$52.58	\$53.94		Hourly	12/13/2025
50052103	Senior Telecommunications Engineer	12	PAS0070O	\$150,009.60									\$198,660.80	Annually	10/18/2025
50052103	Senior Telecommunications Engineer	12	PAS0070O	\$156,000.00									\$206,606.40	Annually	12/13/2025
50052107	Senior Telecommunications Technician	12	IBEW939D	\$78.33										Hourly	12/13/2025
50154498	Senior Telephone Technician	12	IBEW922G	\$68.92										Hourly	12/13/2025
50100561	Senior Telephone Technician Closed Classification	12	IBEW939B	\$76.79										Hourly	12/13/2025
61000017	Senior Time and Attendance Specialist	12	PAS0059O	\$119,308.80									\$158,059.20	Annually	12/13/2025
50052109	Senior Tool Repairer	12	IBEW901A	\$62.89										Hourly	12/13/2025
50052108	Senior Transmission Planning Engineer	12	PAS0070O	\$150,009.60									\$198,660.80	Annually	10/18/2025
50052108	Senior Transmission Planning Engineer	12	PAS0070O	\$156,000.00									\$206,606.40	Annually	12/13/2025
50052114	Senior Troubleshooter	12	IBEW976D	\$102.76										Hourly	12/13/2025
50163133	Senior User Experience Specialist	12	PAS0059O	\$119,308.80									\$158,059.20	Annually	12/13/2025
50154166	Senior Vehicle Mechanic	12	IBEW874B	\$60.82										Hourly	12/13/2025
50083253	Senior Vehicle Mechanic Closed Classification	12	IBEW874B	\$60.82										Hourly	12/13/2025
50154167	Senior Vehicle Mechanic with class A	12	IBEW874D	\$61.97										Hourly	12/13/2025
50052115	Senior Vehicle Mechanic with class A Closed Classification	12	IBEW874D	\$61.97										Hourly	12/13/2025
50154168	Senior Vehicle Mechanic with hazmat	12	IBEW874E	\$62.09										Hourly	12/13/2025
50052116	Senior Vehicle Mechanic with hazmat Closed Classification	12	IBEW874E	\$62.09										Hourly	12/13/2025
50051927	Service Dispatcher	6	OSE0705A	\$38.12	\$39.10	\$40.07	\$41.04	\$42.10	\$43.18	\$44.23	\$45.32	\$46.47		Hourly	12/13/2025
50167601	Shift Power System Operator Apprentice	12	IBEW980B	\$70.80	\$74.43	\$78.06	\$81.69	\$85.33	\$88.96	\$92.59	\$96.22	\$99.85	\$103.48	Hourly	3/22/2025

N/ designates non-civil service jobs
F designates non-journey flex jobs

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50167601	Shift Power System Operator Apprentice	12	IBEW980B	\$73.63	\$77.41	\$81.18	\$84.96	\$88.74	\$92.52	\$96.29	\$100.07	\$103.84	\$107.62	Hourly	12/13/2025
50167434	Shift Power System Operator Journey	12	IBEW986B	\$108.93										Hourly	3/22/2025
50167434	Shift Power System Operator Journey	12	IBEW986B	\$113.29										Hourly	12/13/2025
50154602	Shift Senior Power System Operator	12	IBEW990B	\$114.43										Hourly	3/22/2025
50154602	Shift Senior Power System Operator	12	IBEW990B	\$119.01										Hourly	12/13/2025
50051684	Site Safety Coordinator	12	PAS0062O	\$128,481.60									\$170,144.00	Annually	12/13/2025
50166436	SMUD Cares Program Manager	12	PAS0056B	\$110,801.60									\$154,211.20	Annually	12/13/2025
50168118	Social Media Specialist	12	PAS0054O	\$105,456.00									\$139,651.20	Annually	12/13/2025
50051751	Software Quality Assurance Specialist	12	PAS0054O	\$105,456.00									\$139,651.20	Annually	12/13/2025
50165227	Space and Move Management Specialist	12	PAS0043O	\$80,433.60									\$106,537.60	Annually	12/13/2025
50051940	Special Assistant to Board of Directors	N/	PAS0059O	\$119,308.80									\$158,059.20	Annually	12/13/2025
50051928	Staff Secretary	6	OSE0655A	\$29.82	\$30.61	\$31.32	\$32.14	\$32.93	\$33.73	\$34.55	\$35.41	\$36.32		Hourly	12/13/2025
50086677	Staff Secretary Confidential	6	CONF655A	\$32.19	\$33.01	\$33.83	\$34.65	\$35.51	\$36.41	\$37.33	\$38.27	\$39.19		Hourly	12/13/2025
50151393	Station Recorder Closed Classification	12	IBEW872I	\$55.61										Hourly	12/13/2025
50052118	Station Recorder Closed Classification 1//	12	IBEW861C	\$35.59	\$37.22	\$47.95	\$50.00	\$53.12						Hourly	12/13/2025
50162807	Stem Cooperative Organization Student Assistant	N/	OSE0550A	\$24.58	\$25.20	\$25.82	\$26.46	\$27.12	\$27.81	\$28.49	\$29.20	\$29.95		Hourly	12/13/2025
50051657	Stem Student Assistant	N/	OSE0550A	\$24.58	\$25.20	\$25.82	\$26.46	\$27.12	\$27.81	\$28.49	\$29.20	\$29.95		Hourly	12/13/2025
50180145	Strategic Account Advisor I	F	PAS0045O	\$84,489.60									\$111,883.20	Annually	12/13/2025
50180202	Strategic Account Advisor II	12	PAS0054O	\$105,456.00									\$139,651.20	Annually	12/13/2025
50160192	Strategic Account Advisor III	12	PAS0056C	\$110,801.60									\$158,059.20	Annually	12/13/2025
50051626	Strategic Business Planner I	12	PAS0056O	\$110,801.60									\$146,785.60	Annually	12/13/2025
50052044	Strategic Business Planner II	12	PAS0062O	\$128,481.60									\$170,144.00	Annually	12/13/2025
50052119	Student Staff Assistant	N/	OSE0549A	\$19.91	\$20.40	\$20.91	\$21.44	\$21.96	\$22.51	\$23.08	\$23.68	\$24.25		Hourly	12/13/2025
50170857	Student Staff Assistant Confidential	N/	CONF549A	\$20.40	\$20.90	\$21.43	\$21.96	\$22.52	\$23.07	\$23.65	\$24.25	\$24.86		Hourly	12/13/2025
50137994	Substation Assets Supervisor	12	PAS0062I	\$128,481.60									\$201,219.20	Annually	12/13/2025
50091428	Substation Construction Foreman/Woman	12	IBEW945A	\$87.22										Hourly	12/13/2025
50091429	Substation Construction Foreman/Woman with class A 1//	12	IBEW942E	\$88.37										Hourly	12/13/2025
50091430	Substation Construction Foreman/Woman with hazmat	12	IBEW945X	\$88.49										Hourly	12/13/2025
61000006	Substation Electrical Inspector	12	IBEW940A	\$83.09										Hourly	12/13/2025
50051929	Substation Foreman/Woman,Light	12	IBEW940A	\$83.09										Hourly	12/13/2025
50051930	Substation Foreman/Woman,Light with class A	12	IBEW940B	\$84.24										Hourly	12/13/2025
50051931	Substation Foreman/Woman,Light with hazmat	12	IBEW940C	\$84.36										Hourly	12/13/2025
50165789	Substation Maintenance Worker I	12	IBEW861A	\$43.59	\$45.78									Hourly	12/13/2025
50125721	Substation Maintenance Worker II	12	IBEW861B	\$48.05	\$50.46	\$52.97	\$55.61							Hourly	12/13/2025
50051932	Substation SubForeman/Woman	12	IBEW936D	\$78.19										Hourly	12/13/2025
50051933	Substation Subforeman/Woman with class A	12	IBEW936E	\$79.34										Hourly	12/13/2025
50051934	Substation Subforeman/Woman with hazmat	12	IBEW936F	\$79.46										Hourly	12/13/2025
50091625	Superintendent Project Development and Engineering	12	PAS0071O	\$160,368.00									\$212,492.80	Annually	12/13/2025
50051957	Supervising Accounting Tech	12	PAS0047O	\$88,795.20									\$117,540.80	Annually	12/13/2025
50165907	Supervising Administrative Analyst I	F	PAS0041O	\$76,564.80									\$101,379.20	Annually	12/13/2025
50165911	Supervising Administrative Analyst II	12	PAS0049O	\$93,225.60									\$123,531.20	Annually	12/13/2025
50165909	Supervising Administrative Analyst III	12	PAS0052O	\$100,422.40									\$132,995.20	Annually	12/13/2025
50051972	Supervising Customer Representative	12	PAS0049O	\$93,225.60									\$123,531.20	Annually	12/13/2025
50051973	Supervising Customer Services Field Representative	12	PAS0052B	\$100,422.40									\$139,651.20	Annually	12/13/2025
50166563	Supervising Human Resources Analyst	12	PAS0062O	\$128,481.60									\$170,144.00	Annually	12/13/2025
50135199	Supervising Paralegal	12	PAS0047O	\$88,795.20									\$117,540.80	Annually	12/13/2025
50150056	Supervising Procurement Specialist Closed Classification	12	PAS0059A	\$119,308.80									\$162,032.00	Annually	12/13/2025
50052015	Supervising Resource Planner	12	PAS0069O	\$152,672.00									\$202,217.60	Annually	12/13/2025
50130191	Supervisor Business Technology Resources & Planning	12	PAS0071O	\$160,368.00									\$212,492.80	Annually	12/13/2025
50129649	Supervisor Apprenticeship & Operations Training	12	PAS0064O	\$134,971.20									\$178,776.00	Annually	12/13/2025
50163093	Supervisor Budget Office	12	PAS0066O	\$141,814.40									\$187,824.00	Annually	12/13/2025
50090727	Supervisor Business Process Support	12	PAS0062O	\$128,481.60									\$170,144.00	Annually	12/13/2025
61000055	Supervisor Change Management	12	PAS0066O	\$141,814.40									\$187,824.00	Annually	4/6/2026
61000044	Supervisor Commodity Risk Management	12	PAS0069O	\$146,806.40									\$194,438.40	Annually	7/10/2025
61000044	Supervisor Commodity Risk Management	12	PAS0069O	\$152,672.00									\$202,217.60	Annually	12/13/2025
50124592	Supervisor Construction Management Inspection	12	PAS0064O	\$134,971.20									\$178,776.00	Annually	12/13/2025
61000061	Supervisor Customer Field Investigations	12	PAS0059O	\$119,308.80									\$158,059.20	Annually	5/2/2026
50051994	Supervisor Data Management	12	PAS0064O	\$134,971.20									\$178,776.00	Annually	12/13/2025
50126020	Supervisor Distribution Services New Business	12	PAS0069O	\$152,672.00									\$202,217.60	Annually	12/13/2025
50051852	Supervisor Distribution System Operations-Field Operation	12	PAS0069O	\$152,672.00									\$202,217.60	Annually	12/13/2025
50162517	Supervisor Energy Management System	12	PAS0069B	\$152,672.00									\$212,492.80	Annually	12/13/2025
50160221	Supervisor Energy Trading & Contracts	12	PAS0072O	\$164,382.40									\$217,796.80	Annually	12/13/2025
50160265	Supervisor Engineering	12	PAS0071O	\$160,368.00									\$212,492.80	Annually	12/13/2025
50158442	Supervisor Environmental, Health & Safety Services	12	PAS0066O	\$141,814.40									\$187,824.00	Annually	12/13/2025
50051981	Supervisor Facilities & Maintenance	12	PAS0073O	\$161,491.20									\$213,886.40	Annually	10/18/2025
50051981	Supervisor Facilities & Maintenance	12	PAS0073O	\$167,960.00									\$222,435.20	Annually	12/13/2025
50162321	Supervisor Field Metering	12	PAS0059B	\$119,308.80									\$166,088.00	Annually	12/13/2025
50051697	Supervisor Fleet Operations	12	PAS0059O	\$119,308.80									\$158,059.20	Annually	12/13/2025
50094154	Supervisor Health & Safety Services Closed Classification	12	PAS0066C	\$141,814.40									\$202,217.60	Annually	12/13/2025
50051729	Supervisor Hydro License Implementation	12	PAS0066O	\$141,814.40									\$187,824.00	Annually	12/13/2025
50051980	Supervisor Image Production Postal Service & Administrative	12	PAS0052C	\$100,422.40									\$143,166.40	Annually	12/13/2025
50136695	Supervisor Load Research and Forecasting	12	PAS0069O	\$152,672.00									\$202,217.60	Annually	12/13/2025
50091651	Supervisor Maintenance Engineering	12	PAS0073O	\$161,491.20									\$213,886.40	Annually	10/18/2025
50091651	Supervisor Maintenance Engineering	12	PAS0073O	\$167,960.00									\$222,435.20	Annually	12/13/2025
50083477	Supervisor Material Planning & Coordination	12	PAS0062O	\$128,481.60									\$170,144.00	Annually	12/13/2025
50116025	Supervisor Operations & Availability	12	PAS0071O	\$160,368.00									\$212,492.80	Annually	12/13/2025
50052007	Supervisor Operations Scheduling & Productivity	12	PAS0059O	\$119,308.80									\$158,059.20	Annually	12/13/2025
61000050	Supervisor Organizational Effectiveness	12	PAS0064O	\$129,771.20									\$171,891.20	Annually	11/29/2025
61000050	Supervisor Organizational Effectiveness	12	PAS0064O	\$134,971.20									\$178,776.00	Annually	12/13/2025
50163671	Supervisor Program Delivery	12	PAS0064O	\$134,971.20									\$178,776.00	Annually	12/13/2025
50160902	Supervisor Project Management Office	12	PAS0067O	\$145,392.00									\$192,504.00	Annually	12/13/2025
50052012	Supervisor Rates	12	PAS0069O	\$152,672.00									\$202,217.60	Annually	12/13/2025
50052014	Supervisor Real Estate Services	12	PAS0062O	\$128,481.60									\$170,144.00	Annually	12/13/2025
50160146	Supervisor Strategic Account Management	12	PAS0062D	\$128,481.60									\$187,844.80	Annually	12/13/2025
50052021	Supervisor Survey	12	PAS0062O	\$128,481.60									\$170,144.00	Annually	12/13/2025
50051925	Supervisor Threat Management and Corporation Security Operations	12	PAS0062O	\$128,481.60									\$170,144.00	Annually	12/13/2025
50126182	Supervisor Transmission and Distribution Line Maintenance	12	PAS0069O	\$152,672.00									\$202,217.60	Annually	12/13/2025

N/ designates non-civil service jobs
F designates non-journey flex jobs

2026 SMUD Wage Schedule
Effective 12/13/2025

50128766	Supervisor, Emerging Technologies	12	PAS0066O	\$141,814.40														\$187,824.00	Annually	12/13/2025
50099720	Supplier Diversity Supervisor	12	PAS0056O	\$110,801.60														\$146,785.60	Annually	12/13/2025
50164529	Support Center Supervisor	12	PAS0059O	\$119,308.80														\$158,059.20	Annually	12/13/2025
50092750	Survey Engineering Technician Journey	6	OSE0714A	\$39.93	\$40.93	\$41.91	\$42.98	\$44.08	\$45.19	\$46.31	\$47.44	\$48.67							Hourly	12/13/2025
50170412	Sustainable Community Partnership Specialist I	F	PAS0045O	\$84,489.60														\$111,883.20	Annually	12/13/2025
50170327	Sustainable Community Partnership Specialist II	12	PAS0054O	\$105,456.00														\$139,651.20	Annually	12/13/2025
50170328	Sustainable Community Partnership Specialist III	12	PAS0059O	\$119,308.80														\$158,059.20	Annually	12/13/2025
50091953	Systems Protection and Control	12	PAS0071O	\$160,368.00														\$212,492.80	Annually	12/13/2025
50052124	Technical Writer Entry Level	12	PAS0052O	\$100,422.40														\$132,995.20	Annually	12/13/2025
50154313	Telecommunications Technician Apprentice	48	IBEW845A	\$43.07	\$47.06	\$51.02	\$55.00	\$58.98	\$62.95										Hourly	12/13/2025
50083255	Telecommunications Technician Apprentice Closed Classification	48	IBEW921A	\$48.00	\$52.44	\$56.89	\$61.26	\$65.71	\$70.15										Hourly	12/13/2025
50052125	Telecommunications Technician Closed Classification	12	IBEW928I	\$73.83															Hourly	12/13/2025
50154499	Telecommunications Technician I	12	IBEW915C	\$66.26															Hourly	12/13/2025
50161055	Telecommunications Technician II	12	IBEW928I	\$73.83															Hourly	12/13/2025
50154625	Telephone Technician	12	IBEW915A	\$64.96															Hourly	12/13/2025
50154626	Telephone Technician Apprentice	36	IBEW845B	\$42.22	\$46.13	\$50.02	\$53.92	\$57.82	\$61.71										Hourly	12/13/2025
50100562	Telephone Technician Apprentice Closed Classification	36	IBEW921B	\$47.06	\$51.41	\$55.78	\$60.06	\$64.42	\$68.78										Hourly	12/13/2025
50100560	Telephone Technician Closed Classification	12	IBEW928E	\$72.38															Hourly	12/13/2025
61000041	Threat Management Analyst	12	PAS0054O	\$101,400.00														\$134,284.80	Annually	7/9/2025
61000041	Threat Management Analyst	12	PAS0054O	\$105,456.00														\$139,651.20	Annually	12/13/2025
50052131	Tool Repairer	12	IBEW874G	\$50.29	\$51.92	\$53.80	\$55.45	\$57.60											Hourly	12/13/2025
50052132	Tool Repairer with class A	12	IBEW874G	\$51.44	\$53.07	\$54.95	\$57.60												Hourly	12/13/2025
50052133	Tool Repairer with hazmat	12	IBEW874Z	\$51.56	\$53.19	\$55.07	\$57.72												Hourly	12/13/2025
50086933	Tool Room Foreman/Woman	12	IBEW936A	\$74.09															Hourly	12/13/2025
50092673	Trade Show Coordinator	6	OSE0743A	\$46.24	\$47.36	\$48.56	\$49.78	\$51.00	\$52.30	\$53.61	\$54.94	\$56.33							Hourly	12/13/2025
50111034	Training & Compliance Coordinator	6	PAS0052O	\$100,422.40														\$132,995.20	Annually	12/13/2025
50160075	Training Coordinator	12	PAS0045O	\$84,489.60														\$111,883.20	Annually	12/13/2025
50140030	Transmission and Distribution Line Construction Consultant	12	PAS0066C	\$141,814.40														\$202,217.60	Annually	12/13/2025
50151305	Transmission and Distribution Supervisor Projects	12	PAS0062U	\$128,481.60														\$195,644.80	Annually	12/13/2025
50052134	Troubleshooter	12	IBEW941R	\$90.74															Hourly	12/13/2025
50093281	Troubleshooter with class A	12	IBEW941D	\$91.89															Hourly	12/13/2025
50163132	User Experience Specialist Entry Level	F	PAS0045O	\$84,489.60														\$111,883.20	Annually	12/13/2025
50092219	User Experience Specialist Journey	12	PAS0054O	\$105,456.00														\$139,651.20	Annually	12/13/2025
50151422	Utility Assistant	12	IBEW785A	\$21.30	\$24.36														Hourly	12/13/2025
50083807	Utility Compliance Specialist	12	IBEW828H	\$36.51	\$38.18	\$41.10	\$43.92	\$47.03											Hourly	12/13/2025
50151322	Utility Compliance Specialist 1/1	12	IBEW872L	\$59.78															Hourly	12/13/2025
50151392	Utility Compliance Specialist Closed Classification	12	IBEW872J	\$58.39															Hourly	12/13/2025
50166507	Utility Compliance Specialist II	12	IBEW919J	\$49.46															Hourly	12/13/2025
50052154	Utility Crew Foreman/Woman with hazmat	12	IBEW888X	\$60.50															Hourly	12/13/2025
61000037	Utility Service Field Investigator I	6	OSE0735A	\$42.52	\$43.58	\$44.67	\$45.80	\$46.95	\$48.14	\$49.35	\$50.56	\$51.87							Hourly	5/1/2025
61000037	Utility Service Field Investigator I	6	OSE0735A	\$44.22	\$45.32	\$46.46	\$47.63	\$48.83	\$50.07	\$51.32	\$52.58	\$53.94							Hourly	12/13/2025
61000038	Utility Service Field Investigator II	6	OSE0745B	\$44.67	\$45.75	\$46.92	\$48.07	\$49.31	\$50.54	\$51.83	\$53.09	\$54.45							Hourly	5/1/2025
61000038	Utility Service Field Investigator II	6	OSE0745B	\$46.46	\$47.58	\$48.80	\$49.99	\$51.28	\$52.56	\$53.90	\$55.21	\$56.63							Hourly	12/13/2025
61000039	Utility Service Field Investigator III	6	OSE0755A	\$46.69	\$47.87	\$49.04	\$50.29	\$51.55	\$52.83	\$54.16	\$55.53	\$56.89							Hourly	5/1/2025
61000039	Utility Service Field Investigator III	6	OSE0755A	\$48.56	\$49.78	\$51.00	\$52.30	\$53.61	\$54.94	\$56.33	\$57.75	\$59.17							Hourly	12/13/2025
50052155	Utility Worker I	12	IBEW802G	\$34.77	\$36.36	\$37.95	\$39.53												Hourly	12/13/2025
50052156	Utility Worker I with class A	12	IBEW802L	\$35.92	\$37.51	\$39.10	\$40.68												Hourly	12/13/2025
50052157	Utility Worker I with hazmat	12	IBEW802X	\$36.04	\$37.63	\$39.22	\$40.80												Hourly	12/13/2025
50163854	Utility Worker II	12	IBEW844A	\$41.78															Hourly	12/13/2025
50116120	Utility Worker III	12	IBEW816H	\$36.87	\$38.33	\$40.00	\$41.63	\$43.41											Hourly	12/13/2025
50154631	Vegetation Management Specialist with class A	12	IBEW878H	\$58.26															Hourly	12/13/2025
50150005	Vegetation Management Specialist With class A Closed Classification	12	IBEW901L	\$64.04															Hourly	12/13/2025
50052146	Vegetation Management Supervisor I	12	PAS0056O	\$110,801.60														\$146,785.60	Annually	12/13/2025
50162373	Vegetation Management Supervisor II	12	PAS0059O	\$119,308.80														\$158,059.20	Annually	12/13/2025
50154627	Vegetation Work Planner	12	IBEW878G	\$57.11															Hourly	12/13/2025
50052143	Vegetation Work Planner Closed Classification	12	IBEW901A	\$62.89															Hourly	12/13/2025
50154628	Vegetation Work Planner with class A	12	IBEW878H	\$58.26															Hourly	12/13/2025
50052144	Vegetation Work Planner with class A Closed Classification	12	IBEW901L	\$64.04															Hourly	12/13/2025
50154630	Vegetation Work Planner with hazmat	12	IBEW878J	\$58.38															Hourly	12/13/2025
50052145	Vegetation Work Planner with hazmat Closed Classification	12	IBEW901X	\$64.16															Hourly	12/13/2025
50052158	Vehicle Attendant	12	IBEW816G	\$38.16	\$39.76	\$41.54	\$43.27	\$45.14											Hourly	12/13/2025
50083257	Vehicle Attendant with class A	12	IBEW817B	\$39.31	\$40.91	\$42.69	\$44.42	\$46.29											Hourly	12/13/2025
50052159	Vehicle Attendant with hazmat	12	IBEW817X	\$39.43	\$41.03	\$42.81	\$44.54	\$46.41											Hourly	12/13/2025
50099030	Vehicle Maintenance Aide	12	IBEW790A	\$27.95	\$34.51														Hourly	12/13/2025
50052164	Vehicle Maintenance Aide with class A	12	IBEW790L	\$29.10	\$35.66														Hourly	12/13/2025
50052165	Vehicle Maintenance Aide with hazmat	12	IBEW790X	\$29.22	\$35.78														Hourly	12/13/2025
50154169	Vehicle Mechanic	12	IBEW858A	\$57.16															Hourly	12/13/2025
50154049	Vehicle Mechanic Apprentice with hazmat	48	IBEW851D	\$38.43	\$40.87	\$43.34	\$45.79	\$48.23	\$50.68	\$53.14	\$55.58								Hourly	12/13/2025
50052161	Vehicle Mechanic Apprentice with hazmat Closed Classification	48	IBEW851D	\$38.43	\$40.87	\$43.34	\$45.79	\$48.23	\$50.68	\$53.14	\$55.58								Hourly	12/13/2025
50052160	Vehicle Mechanic Closed Classification	12	IBEW858A	\$57.16															Hourly	12/13/2025
50168478	Vehicle Mechanic Welder	12	IBEW851I	\$59.97															Hourly	12/13/2025
50154213	Vehicle Mechanic Welder Apprentice with class A	48	IBEW851F	\$39.90	\$42.45	\$45.08	\$47.71	\$50.35	\$52.94	\$55.55	\$58.14								Hourly	12/13/2025
50125306	Vehicle Mechanic Welder Apprentice with class A Closed Classification	48	IBEW851F	\$39.90	\$42.45	\$45.08	\$47.71	\$50.35	\$52.94	\$55.55	\$58.14								Hourly	12/13/2025
50154214	Vehicle Mechanic Welder Apprentice with hazmat	48	IBEW851K	\$39.94	\$42.49	\$45.13	\$47.74	\$50.35	\$52.97	\$55.58	\$58.17								Hourly	12/13/2025
50125304	Vehicle Mechanic Welder Apprentice with hazmat Closed Classification	48	IBEW851K	\$39.94	\$42.49	\$45.13	\$47.74	\$50.35	\$52.97	\$55.58	\$58.17								Hourly	12/13/2025
50154218	Vehicle Mechanic Welder with class A	12	IBEW874A	\$61.12															Hourly	12/13/2025
50052166	Vehicle Mechanic Welder with class A Closed Classification	12	IBEW874A	\$61.12															Hourly	12/13/2025
50154219	Vehicle Mechanic Welder with hazmat	12	IBEW872H	\$61.24															Hourly	12/13/2025
50052167	Vehicle Mechanic Welder with hazmat Closed Classification	12	IBEW872H	\$61.24															Hourly	12/13/2025
50154225	Vehicle Mechanic with class A	12	IBEW858D	\$58.31															Hourly	12/13/2025
50052162	Vehicle Mechanic with class A Closed Classification	12	IBEW858D	\$58.31															Hourly	12/13/2025
50154240	Vehicle Mechanic with hazmat	12	IBEW858K	\$58.43															Hourly	12/13/2025
50052163	Vehicle Mechanic with hazmat Closed Classification	12	IBEW858K	\$58.43															Hourly	12/13/2025
5005																				

N/ designates non-civil service jobs
F designates non-journey flex jobs

Sacramento Municipal Utility District 2026 Other Pay Compensation Policy							
SPECIAL COMPENSATION CATEGORY	WAGE TYPE	ELIGIBLE EMPLOYEE GROUPS					EFFECTIVE DATE
		OSE	IBEW	PAS/MGMT	PSOA	CONF	
Special Assignment Pay	2nd Shift Differential Pay	\$ 3.00	6%	*6%		4%	12/13/2025
Special Assignment Pay	3rd Shift Differential Pay	\$ 4.00	8%	*8%		6%	12/13/2025
Special Assignment Pay	4th Shift Diff Pay - R.S.	\$ 5.00	8%	*8%		8%	12/13/2025
Special Assignment Pay	PSOA 2nd Shift Differential Pay				8%		12/13/2025
Special Assignment Pay	Dbtln 4th Shift Diff	2X + \$5.00	2X + 8%	*2X + 8%	2X + 8%	0	12/13/2025
Special Assignment Pay	Instructor/Training Officer				8%		12/13/2025
Special Assignment Pay	Mutual Aid		2X				12/13/2025
Statutory Items	DT Incentive Erngs	2X	2X	*2X	2X		12/13/2025
Incentive Pay	Employer Paid Member Contributions	0.00%	0.00%	1.75%	0.00%	1.75%	12/13/2025
Statutory Items	FRC Cleaning Allowance	Up to \$1,550 / yr	Up to \$1,550 / yr	Up to \$1,550 / yr	Up to \$1,550 / yr		12/13/2025
Manual Adjustment Required to correct	LUMP SUM ADJ - PERS	**	**	**	**	**	12/13/2025
Statutory Items	Overtime Incentive Erngs	2X	2X	*1.5X	2X		12/13/2025
Statutory Items	PERS Uniform Allowance	Up to \$1,559 / yr	Up to \$2,078 / yr	Up to \$2,078 / yr			12/13/2025
Special Assignment Pay	Relief Shift Differential	\$ 5.00	***8%	*8%	8%	8%	12/13/2025
Special Assignment Pay	Sch Hol Wk Shft 2 Dif-PAS			*1.5X + 6%			12/13/2025
Special Assignment Pay	Sch Hol Wk Shft 3 Dif-PAS			*1.5X + 8%			12/13/2025
Special Assignment Pay	Sch Hol Wk Shft 4 Dif-PAS			*1.5X + 8%			12/13/2025
Statutory Items	Sch Holiday Dbl Time	2X	2X	*2X	2X		12/13/2025
Statutory Items	Sch Holiday Work	2X	2X	*1.5X	2X		12/13/2025
Statutory Items	Sch Holiday Worked - PAS			*1.5X			12/13/2025
Special Assignment Pay	Schd Hol DT Shft 2 Diff	2X + \$3.00	2X + 6%	*2X + 6%	2X + 8%		12/13/2025
Special Assignment Pay	Schd Hol DT Shft 3 Diff	2X + \$4.00	2X + 8%	*2X + 8%	2X + 8%		12/13/2025
Special Assignment Pay	Schd Hol DT Shft 4 Diff	2X + \$5.00	2X + 8%	*2X + 8%	2X + 8%		12/13/2025
Special Assignment Pay	Sched Hol Wrk Shft 2 Diff	2X + \$3.00	2X + 6%	*1.5X + 6%	2X + 8%		12/13/2025
Special Assignment Pay	Sched Hol Wrk Shft 3 Diff	2X + \$4.00	2X + 8%	*1.5X + 8%	2X + 8%		12/13/2025
Special Assignment Pay	Sched Hol Wrk Shft 4 Diff	2X + \$5.00	2X + 8%	*1.5X + 8%	2X + 8%		12/13/2025
Premium Pay	WOC DT Incentive	2X	2X		2X	2X	12/13/2025
Premium Pay	WOC Hol Special	2X	2X		2X	2X	12/13/2025
Premium Pay	WOC OT Incentive	2X	2X		2X	1.5X	12/13/2025
Premium Pay	WOC Reg	1X	1X		1X	1X	12/13/2025
Special Assignment Pay	Temporary Upgrade 2.5%	2.50%	2.50%	2.50%	2.50%	2.50%	12/13/2025
Special Assignment Pay	Temporary Upgrade 5%	5%	5%	5%	5%	5%	12/13/2025
Special Assignment Pay	Temporary Upgrade 7.5%	7.50%	7.50%	7.50%	7.50%	7.50%	12/13/2025
Special Assignment Pay	Temporary Upgrade 10%	10%	10%	10%	10%	10%	12/13/2025
Short Term Incentives - Exec	STI			11%			12/13/2025
Short Term Incentives - Dir	STI			6%			12/13/2025
Individual Performance Award	Pay for Performance Award			0 - 9%			12/13/2025
Incentive Pay	Off-Salary-Schedule Pay						12/13/2025

Labor Policy:

Special compensation will be reported as pensionable compensation in accordance with CalPERS rules & regulations. The above table provides information related to compensation items for employee groups. Represented employee special compensation may also be found in the applicable labor agreements. For unrepresented employees, this document shall be used to delineate special compensation items, including Special Assignment Pay and Statutory Items designated for employees working 12 hour work schedules and/or shift schedules within Security Operations, Energy Trading & Contracts and any other designated 24/7 operational area.

*applies to PAS employees in Energy Trading & Contracts working a shift schedule

**manual adjustment amount required to correct records varies depending upon situation

***No relief shift premium is paid for the day shift. The relief night shift premium for employees is the third shift differential.

RESOLUTION NO. _____

WHEREAS, the Board of Directors currently delegates the authority to approve pay schedules and special compensation items to the Chief Executive Officer and General Manager (CEO & GM); and

WHEREAS, the **California Public Employees' Retirement System (CalPERS)** adopted California Code of Regulations, Title 2, Section 570.5 and 571(b), which require this Board to formally adopt pay schedules and special compensation items for purposes of calculating **CalPERS** retirement benefits; and

WHEREAS, by Resolution No. 25-12-02, adopted on December 11, 2025, this Board adopted Sacramento Municipal Utility District's Pay Schedule and Special Compensation items for employees pursuant to California Code of Regulations, Title 2, Sections 570.5 and 571(b); and

WHEREAS, SMUD engaged in labor negotiations with the **Organization of SMUD Employees (OSE)**, reaching an agreement with a wage increase for the represented unit; and

WHEREAS, SMUD executed a side letter agreement with **OSE**; and

WHEREAS, SMUD engaged in labor negotiations with the **International Brotherhood of Electrical Workers Local Union 1245 (IBEW)**, reaching an agreement with a wage increase for the represented unit; and

WHEREAS, via memorandum, the CEO & GM authorized a wage increase for unrepresented **Professional, Administrative and Supervisory (PAS)** and **Confidential (CONF)** employees; **NOW, THEREFORE**,

DRAFT

**BE IT RESOLVED BY THE BOARD OF DIRECTORS
OF THE SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

Approve Sacramento Municipal Utility District's amended 2026 Pay
Schedule and Other Pay Compensation Policy for employees pursuant to California
Code of Regulations, Title 2, Sections 570.5 and 571(b), substantially in the form of
Attachment ____ and **Attachment ____**.

SSS No. LEG 2026-0056

BOARD AGENDA ITEM

STAFFING SUMMARY SHEET

Committee Meeting & Date
Finance & Audit – 05/19/26

Board Meeting Date
May 21, 2026

TO					TO					
1.	Scott Martin				6.					
2.	Farres Everly				7.					
3.	Jose Bodipo-Memba				8.					
4.					9.	Legal				
5.					10.	CEO & General Manager				
Consent Calendar		X	Yes	No If no, schedule a dry run presentation.		Budgeted		Yes	No (If no, explain in Cost/Budgeted section.)	
FROM (IPR) Laura Lewis				DEPARTMENT Executive Office				MAIL STOP B308	EXT. 6123	DATE SENT 05/04/26
NARRATIVE:										
Requested Action:		Adopt resolution calling election for Directors for Wards 3, 4, 6, and 7 and request Sacramento County to consolidate that election with the November 3, 2026, general election.								
Summary:		The members of SMUD's Board of Directors are elected to staggered four-year terms from the Wards they represent. The terms of the Directors for Ward 3 (Gregg Fishman), Ward 4 (Rosanna Herber), Ward 6 (Dave Tamayo) and Ward 7 (Heidi Sanborn) will expire on December 31, 2026. Section 11829 of the Municipal Utility District (MUD) Act, in the Public Utilities Code, provides that the resolution calling the election shall also provide for the consolidation of the election with the general election to be held at the same time, in the county in which SMUD is located and to authorize the county to canvass the returns and certify the results of the election to the Board. In addition, the resolution shall state the date and purpose of the election, request the county to reestablish the boundaries of election precincts to coincide with the ward boundaries, specify the length of a candidate statement of qualifications, manner of payment by the candidate, determine the method for breaking a tie vote, and designate the boundaries of the subject SMUD Wards. As part of the resolution, staff is recommending that the Board adopt the following: a) In the event of a tie vote, determine the election by lot; and b) Require candidates to pay at the Sacramento County Voter Registration and Elections for costs associated with the statement of qualifications; and c) Set the statement of qualifications at 200 words or less. The Sacramento County Registrar of Voters' Office has informed SMUD that the resolution calling and consolidating the election must be received by their offices no later than July 1, 2026. The attached resolution sets forth all of the information necessary to call the election for Wards 3, 4, 6, and 7 and consolidates the election with the general election to be held on November 3, 2026.								
Board Policy: (Number & Title)		Board Job Description GP-3(j) – Take such other actions as may be required by law.								
Benefits:		Provides for election of Directors in compliance with law.								
Cost/Budgeted:		Sacramento County will bill SMUD for the actual cost of conducting the election when completed. \$1.2M was budgeted based on the cost of previous elections (\$300K per Ward).								
Alternatives:		None. This action is legally required.								
Affected Parties:		Board Members, Board Office, Office of the General Counsel								
Coordination:		Office of the General Counsel, Board Office, County Elections								
Presenter:		Laura Lewis, Chief Legal & Government Affairs Officer								

Additional Links:

SUBJECT	Call Election for Directors for Wards 3, 4, 6 & 7	ITEM NO. (FOR LEGAL USE ONLY) 10

ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.

RESOLUTION NO. _____

**BE IT RESOLVED BY THE BOARD OF DIRECTORS
OF SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

Section 1. That an election is called to be held on the 3rd day of November, 2026, for the purpose of electing four (4) directors of the Sacramento Municipal Utility District ("SMUD"), one of whom shall be a resident and voter of each of Wards 3, 4, 6 and 7. The boundaries of said wards are hereby fixed and established as shown on the sheets appended hereto. Each director shall be elected for a full four-year term from the ward in which he or she resides and the election shall be held and conducted in all respects as required by law.

<u>Ward</u>	<u>Incumbent</u>	<u>Expiration of Term</u>
3	Gregg Fishman	2026
4	Rosanna Herber	2026
6	Dave Tamayo	2026
7	Heidi Sanborn	2026

Section 2. That the Board of Supervisors of the County of Sacramento is requested to consolidate said election of directors of SMUD with the general election to be held on the 3rd day of November, 2026.

Section 3. That the Board of Supervisors of the County of Sacramento is requested to reestablish the boundaries of such election precincts as are divided by the boundaries of Wards 3, 4, 6, and 7 of SMUD to provide that the boundaries of the election precincts coincide with the boundaries of said wards.

Section 4. That the Board of Supervisors of the County of Sacramento is authorized to canvass the returns of the election of directors and to certify the election results to this Board.

Section 5. That in the event of a tie vote between candidates, the election shall be determined by lot.

Section 6. That any candidate for the Board of Directors of SMUD who files a statement of qualifications for printing and distributing pursuant to Section 13307 of the Elections Code shall pay at the Sacramento County Voter Registration and Elections office, in advance, for the publication of the candidate's statement, pursuant to Elections Code Section 13307, in the amount estimated by the Sacramento County Registrar of Voters, and that any such statement shall contain 200 words or less.

Section 7. That SMUD agrees to reimburse the Registrar of Voters for actual costs incurred, such costs to be calculated by the method set forth in the County's current Election Fee Schedule.

Section 8. That the Secretary of SMUD is directed to transmit certified copies of this resolution to the Clerk of the Board of Supervisors of the County of Sacramento, to the County Clerk of the County of Sacramento, and to the Registrar of Voters of the County of Sacramento.

SSS No. LEG 2026-0058

BOARD AGENDA ITEM

STAFFING SUMMARY SHEET

Committee Meeting & Date
Policy – 05/13/26
Board Meeting Date
May 21, 2026

TO				TO						
1.	Farres Everly			6.						
2.	Brandy Bolden			7.						
3.	Suresh Kotha			8.						
4.				9.	Legal					
5.				10.	CEO & General Manager					
Consent Calendar		☒	Yes	No <i>If no, schedule a dry run presentation.</i>		Budgeted	☒	Yes	No <i>(If no, explain in Cost/Budgeted section.)</i>	
FROM (IPR) Joe Schofield				DEPARTMENT Legal				MAIL STOP B406	EXT. 5446	DATE SENT 04/30/26

NARRATIVE:

Requested Action: Approve proposed revisions to the Meeting Procedures of the SMUD Board of Directors.

Summary: The Municipal Utility District (MUD) Act section 11908 requires this Board to establish rules for its proceedings. On October 3, 2025, Senate Bill 707 (SB 707) was signed by Governor Newsom to update the Ralph M. Brown Act to modernize requirements pertaining to public access, teleconferencing options, and participation requirements. Among those requirements is the mandate for the Board to adopt a policy addressing procedures for handling disruptions to telephonic or internet service during a meeting. This policy must be adopted not later than July 1, 2026.

Based on the new legal requirements, staff's recommended changes to the Meeting Procedures of the Board of Directors to incorporate the new requirements is attached in redline and "clean" format.

Board Policy: Governance Process GP-3, Board Job Description – j) Take such other action as may be required by law.
(Number & Title)

Benefits: Ensures communication and compliance with Brown Act requirements. Allows the Board to clarify procedures for conducting Board and Committee meetings and to allow the Board the opportunity to make corrections, additions, or changes if necessary.

Cost/Budgeted: This item has no direct budgetary impact.

Alternatives: Adopt a policy through a mechanism other than the Board Meeting Procedures; it is a legal requirement to adopt a policy prior to July 1, 2026.

Affected Parties: SMUD, Board of Directors, Public

Coordination: Executive Office, Board Office, Legal

Presenter: Joe Schofield, Deputy General Counsel

Additional Links:

SUBJECT

Adopt Revised Board Meeting Procedures

ITEM NO. (FOR LEGAL USE ONLY)

11

ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.

DRAFT

Meeting Procedures of the SMUD Board of Directors

2023-2026 Edition

Supersedes all previous versions

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INTRODUCTION

Welcome Statement

Welcome to the Board of Directors meeting. These procedures are designed to assist the community in understanding how the Sacramento Municipal Utility District (SMUD) Board of Directors conducts its meetings. Copies of the Meeting Procedures are available upon request through the office of the SMUD Board Secretary or on the internet at www.smud.org.

Authority

The Board of Directors governs SMUD and is its policy-making body. The Board appoints a Chief Executive Officer and General Manager responsible for SMUD's operations.

Board Tenure

The Board of Directors is comprised of seven members elected by ward to represent different geographic areas of the Sacramento region. The Directors serve four-year terms which are staggered.

Board Governance Policies

The Board of Directors operates under a set of governance policies. The governance policies define the Board's purpose and how it operates; SMUD's vision and strategic direction; and its links and delegations to staff. Copies of the Board governance policies are available upon request through the office of the SMUD Board Secretary or on the internet at www.smud.org.

These meeting procedures complement the Board's policies, but do not supersede them. If there is an inconsistency between any of the Board's policies and these meeting procedures, the Board's policies control.

CHAPTER I – BOARD MEETINGS

Rule 1.0 Time and Place

(a) Regular Board meetings occur the third Thursday of the month except that the regular meeting in December occurs the second Thursday of the month. Unless otherwise designated on the Board meeting agenda, regular meetings begin at 6:00 p.m.

All regular meetings are held in the SMUD Auditorium at 6201 S Street, Sacramento, California, unless otherwise designated on the Board meeting agenda.

(b) In the event that the Thursday Board meeting falls on a legal holiday, unless otherwise determined by the Board President, that meeting will be held on the next business day following the holiday and begin at the time specified for that Board meeting.

(c) Any meeting or session of the Board may be adjourned for cause, in good faith, at any time, or from time-to-time, when necessary for the expeditious transaction of business.

(d) All meetings of the Board, including regular, special and emergency meetings, are called in accordance with the Ralph M. Brown Act, California Government Code Section 54950, *et seq.* (Brown Act).

(e) Board members may participate in Board meetings through a telephone conference platform such as a computer or telephone in accordance with the Brown Act.

(f) Members of the public may audio or video record Board meetings provided that they do not block aisles, exits or interfere with public sight lines.

Rule 1.1 Parliamentary Procedures

In all cases not provided for by these meeting procedures, or by SMUD ordinance or resolution, parliamentary procedures will be in accordance with Robert's Rules of Order (current edition). The Board Secretary will act as parliamentarian to the Board.

Rule 1.2 Order of Business

Unless special circumstance apply, the regular order of business at each regular Board meeting is:

- (a) Call to Order
- (b) Pledge to the Flag
- (c) Roll Call
- (d) Cable Announcement
- (e) Customer Education Message
- (f) Approval of the Agenda
- (g) Committee Chair Reports

- (h) Statements from the Public (at the time the agenda item is considered)
- (i) Consent Calendar
- (j) Discussion Calendar
- (k) Public Comments (non-agenda items)
- (l) Directors' Reports
- (m) President's Report
- (n) CEO's Report
- (o) Adjournment

Rule 1.3 Quorum

(a) Four members of the Board constitute a quorum for a regular, special or emergency Board meeting. No business will be acted upon until a quorum is present. No business will be conducted when the number of Board members is reduced below a quorum with the exception of information items. The presiding member of the Board meeting will note for the record when a Board member arrives late to a Board meeting or departs before adjournment.

(b) Whenever two-thirds of the Board membership or two-thirds vote is required for approval of a matter, at least five members or five votes will be required to approve the matter.

Rule 1.4 Presiding Officer and Selection of Officers

(a) The President of the Board will preside over Board meetings. In the absence of the Board President, the Vice-President of the Board will preside at meetings. In the absence of both the Board President and the Vice-President, the members of the Board attending the meeting will choose a president pro tem who will preside at the meeting and will be determined as the first order of business.

(b) The Board President and Vice-President will serve one-year terms and will be selected through a nomination process which will be conducted in December of each year. If no successor is named by the conclusion of the officer's term, the officer shall continue in office until a successor is named.

Rule 1.5 Public Participation

- (a) Members of the public may attend any meeting of the Board of Directors except for closed sessions of the Board as determined by the Brown Act. Members of the public are required to switch cellular phones and similar electronic devices to a silent or off mode during Board meetings.
- (b) Members of the public may address the Board through a teleconference platform such as computer or telephone in accordance with these procedures. Instructions for participation will be included on every meeting agenda.
- (c) Members of the public may address the Board at a Board meeting on agenda items prior to or during the Board's consideration of that item, and on items of interest not on the agenda which are within SMUD's jurisdiction, except that no public comment will be taken on the form or content of the Board agenda itself except during the general public comment period.
- (d) To facilitate the SMUD Board's conduct of business, members of the public that wish to address the Board will have up to three (3) minutes during general public comment period and up to three (3) minutes on any individual agenda item on which the Board will take action. The Consent Calendar is considered a single item, and speakers are subject to the three (3) minute limit for the entire Consent Calendar. Items listed on the agenda but on which no Board action will be taken, including without limitation, Committee reports, Directors' reports, and the CEO's report shall be addressed in the general public comment period, and will be subject to the three (3) minute limitation. In addition to the above time limits, the total time allotted to any individual speaker shall not exceed nine (9) minutes for an entire Board meeting.
- (e) Notwithstanding the foregoing, the Board President may, in their discretion, and based upon factors such as the length of the agenda, the substance of the agenda, the number of public comment speaker cards submitted, and whether the Board is in danger of losing a quorum, depart from the above referenced time limits for individual speakers, establish a time limit for particular issues, set a cumulative time limit, or otherwise regulate public comment. Speaking times may be extended at the discretion of the Board President. Speakers will be limited to the time allocated by the Board President and will not be allowed to accept time from other members of the public in attendance at the meeting.
- (f) Public speakers are expected to exercise decorum when addressing the Board.
- (g) Speakers are to direct their comments to the Board. The public comment periods are not intended to be "Question and Answer" periods or conversations with the SMUD Board or SMUD staff. For non-agenda items, the Board members may not engage in an active discussion of the matter and are limited to

making a brief statement, asking clarifying questions or directing staff to follow up on a matter.

(h) Any person desiring to address the Board on an agenda item shall file a request to speak form with a Security Officer present at the meeting prior to the time the matter is called. The speaker shall designate on the request to speak form whether the speaker intends to address the Board on an item on the agenda or on a non-agenda item. Public speakers wishing to distribute written materials to the Board must hand the materials to the Security Officer who will distribute the written materials to the Board and staff. Distributed materials will be made a part of the record and will be available to the public for inspection, unless otherwise confidential. Public speakers speaking during the public comment period and on items on the agenda will not be allowed to use signs, posters, videos, taped recordings or overheads in making their public comments.

(i) In the event that any Board meeting is willfully interrupted or disrupted by a person or by a group or groups of persons so as to render the orderly conduct of the meeting infeasible, the Board President, unless there is an objection by a majority of the Board members present, may order the person, group or groups of persons willfully interrupting the meeting to leave the meeting or be removed from the meeting. In such case, the Board President will:

- (1) Notify the person, group, or groups of persons that they are in non-compliance with meeting procedures;
- (2) Request that they comply; and
- (3) Inform them of the consequence of non-compliance

(j) At least fourteen (14) days in advance of a scheduled Board meeting, members of the public may request the opportunity to be listed on the agenda for purposes of making a presentation at a Board meeting on matters within the SMUD's jurisdiction. Presentation requests must be initiated in writing and submitted to the Board President through the Board office. Requests must state the following information:

- (1) Subject matter;
- (2) Presenter's name, address and telephone number;
- (3) Any action(s) which the requestor wishes the Board to take;
- (4) Amount of time requested, not to exceed 10 minutes;
- (5) Desired Board meeting date.

The Board President will review all complete presentation requests and, may at his or her discretion, direct the Secretary of the Board to list the presentation on the Board's agenda. If the Board President denies a presentation request, the requesting party may address the Board at a meeting on a matter within SMUD's jurisdiction, subject to the three (3) minute time limitation.

(k) Members of the public are prohibited from bringing firearms, knives or other weapons of any kind, as well as bio-waste or bio-hazards, into the Board meeting room or any SMUD building.

(l) SMUD reserves the right to inspect packages, backpacks, purses, and similar containers prior to allowing members of the public entrance to Board meetings.

Rule 1.6 Remote Participation Service Disruption (Policy on Disruptions of Telephonic or Internet Service During Public Meetings)

If the President is informed of a disruption to remote access services that prevents the public from attending or observing the meeting remotely, the President shall immediately announce the disruption and then shall recess the open session of the meeting and direct staff to diagnose and restore the disrupted service. During the disruption, the Board may meet in closed session but may not take action upon any agenda items.

The Board shall not reconvene the open session of the meeting until the earlier of the following: (a) remote access services are restored, in which case the President may reconvene the meeting, or (b) if a service disruption has lasted for at least one hour the President may reconvene the open session and take a rollcall vote on whether to find the public interest in continuing the meeting outweighs the public interest in remote public access. Upon adoption of such a finding, the Board/Committee may continue the open session without restored remote access services. In either case the minutes will reflect the nature of the disruption and restoration attempts, and the time the meeting was reconvened or whether the President decided to adjourn the meeting without reconvening.

"Disruption" means any failure, outage, or other interruption that prevents members of the public from attending or observing the meeting via these remote access services. "Remote access services" means the two-way telephonic service and/or two-way audiovisual platform used to provide real-time remote public attendance and observation of meetings.

Rule 4.61.7 Approval of Board Minutes

The Board Secretary will provide a copy of the minutes of each regular meeting to each member of the Board with the next regular meeting agenda packet. The Board Secretary will provide a copy of the minutes of each special meeting at which Board action is taken to each member of the Board with the next month's

regular meeting agenda packet. The minutes of the preceding meeting will be approved as part of the Consent Calendar unless a Board member requests a discussion of the item.

Rule ~~1.7~~1.8 Preservation of Minutes

The minutes of the Board will be maintained by the Board Secretary as a corporate record. The minutes of each meeting will be signed by the Secretary and by the officer who presided at the Board meeting. The Secretary is charged with the custody of all papers, books and documents of the Board and will make the same available for public inspection at all reasonable times in accordance with the California Public Records Act.

Rule ~~1.8~~1.9 Taping and Web Streaming of Meetings

The Board Secretary will arrange to have regular Board meetings video-recorded and cablecast on Metro Cable Channel 14, except for closed sessions. SMUD will store video-recordings of Board meetings for a period of four (4) years. Video of the regular Board meetings will be streamed live and, together with the Board agenda, will be archived on the SMUD website for a one-year period.

Rule ~~1.9~~1.10 Addressing the Board President and Recognition to Speak

(a) When any Board member is about to speak, he or she will seek recognition to speak from the Board President; and when two or more members address the Board President at the same time, the Board President will determine the speaking order. Once the Board President has recognized the right of the Board member to speak, the Board President will protect the speaker from disturbance or interference.

(b) The Board President will not recognize a member to speak again, except to answer questions, until all other Board members have had an opportunity to be heard.

(c) All members will have an opportunity to speak before the Board President enters debate on a regular item.

Rule ~~1.10~~1.11 Procedure Regarding Motions

(a) **Motions in General:** A resolution, or any other action of the Board, may be proposed by any member including the Board President, by a motion to adopt. Such a motion, if seconded by a member, including the Board President, will be on the floor and must be considered; if not seconded, the motion is lost for lack of a second, and will be so declared by the Board President.

(b) **Amend a Motion:** A motion on the floor (with a second) may be amended at

any time before adoption or rejection by an amendatory motion made by any member including the Board President.

An amendatory motion may be in the form of a substitute motion so that it replaces the original motion and can be adopted by a single vote, or it may be phrased so as to amend the original motion; if the substitute motion fails to carry, the original motion will then be voted upon; if the amendment is separately voted upon and is not adopted, the original motion will then be voted upon; if the amendment is adopted, the original motion as amended will then be voted upon.

(c) **Withdraw a Motion:** A motion may be withdrawn by the maker at any time before adoption or rejection with the consent of the second. The second to a motion may be withdrawn by the seconding member at any time before adoption or rejection of the motion; the motion will then be lost for lack of a second and so declared by the Board President unless seconded by another member.

(d) **Motion to Call the Question:** The purpose of a motion to call the question is to close debate and to vote immediately on a motion. After a motion has been seconded, any member may discuss or comment on the subject of the motion. When no member wishes to discuss or comment further, the Board President will call for a vote on the motion. At any time after a motion has been seconded, any member who has the floor, including the Board President, may move to call for the question. The Board President will then state, "the question has been called for." If four members, one of whom may be the Board President, then concur, the Board President will call for a vote on the motion. If less than four members concur, discussion of the motion will then continue until the question is again called for or discussion terminates and a vote is called for by the Board President.

(e) **Motion to Table:** The purpose of this motion is to terminate further consideration of the subject under discussion. At any time after a motion has been seconded, any member, including the Board President, may move to table the motion. If the tabling motion is seconded, the Board President will call for a vote on the tabling motion. If the tabling motion is adopted, the original motion will remain on the floor but may not again be considered at the meeting at which the tabling motion was adopted except following the adoption of a motion to remove the original motion from the table. The original motion may be considered and voted upon at the next regular meeting of the Board unless again tabled. If not considered at such meeting, it will be deemed lost. If the tabling motion is not adopted, consideration of the original motion will continue under these rules. For the purposes of this section, if the Board recesses the meeting at which a motion has been tabled, the reconvened meeting will be considered a separate meeting and the original motion may be considered and voted upon.

(f) **Motion to Reconsider a Vote:** A motion to reconsider the vote may be made by any member who voted with the prevailing side. No question can be twice

reconsidered unless it was amended after its first consideration. A motion to reconsider the vote may be made only at the meeting at which the original vote was taken or, if the Board recesses such meeting, at the reconvened meeting.

Rule ~~1.41~~1.12 Roll Call

(a) The Chief Legal Officer and General Counsel will conduct a roll call at the beginning of each publicly noticed Board and Committee meeting.

(b) The roll need not be called in voting upon a motion except where specifically required by law or requested by a member. If the roll is not called, Board members will cast their votes electronically.

(c) Each roll call of the Board will be in ward order, except that the Board President will be called last.

Rule ~~1.42~~1.13 Overruling the Board President

A decision of the Board President with respect to the interpretation, applicability or enforcement of these rules may be overruled by majority vote of the Board.

Rule ~~1.43~~1.14 Suspension of Rules

Any permanent rule of the Board may be suspended temporarily by a majority of the Board, provided that the temporary suspension will apply only to the matter under immediate consideration, and in no case will it extend beyond an adjournment.

Rule ~~1.44~~1.15 Amendment of Board Meeting Procedures

These meeting procedures may be amended by a majority vote of the Board.

CHAPTER II - COMMITTEES

Rule 2.0 Time and Place

(a) Whenever a standing Committee meeting is also noticed as a special Board Meeting, it shall be conducted as a Committee meeting and members of the Board that are not assigned to the Committee may attend and participate in the discussions, whether or not a quorum of the Board is present. In order to preserve the function of the Committee as advisory to the Board, no Board action will be taken at a Committee meeting, unless otherwise noted on the agenda.

(b) Committee members may participate in Board meetings through a telephone conference platform such as a computer or telephone in accordance with the Brown Act.

(c) Members of the public may audio or video record Committee meetings provided that they do not block aisles, exits or interfere with public sight lines.

Rule 2.1 Purpose and Quorum

(a) Board Committees assist the Board by gaining education, considering alternatives and implications, preparing policy alternatives, and making recommendations to the full Board. As a general rule, matters to be considered by the Board will first be referred to a Committee.

(b) Two members of the Board will constitute a quorum for a Committee meeting. Where the number of Board members is reduced below a quorum during a Committee meeting, the Committee may continue to conduct business. Where a Committee lacks a quorum, the Board President, Board Vice-President or Committee Chair, in that order, may appoint a non-committee Board member to serve on the Committee for that meeting.

Rule 2.2 Preparation and Preservation of Minutes

(a) Minutes of each Committee meeting will be prepared by the responsible Executive and reviewed by the Board Secretary. The presiding officer of the Committee will sign the minutes indicating approval of the minutes.

(b) The minutes of Committee meetings will be maintained by the Board Secretary as a corporate record.

Rule 2.3 Taping and Web Streaming of Committee Meetings

Committee meetings will be audio recorded and will be audio streamed live to the public and archived on the SMUD website for one (1) year. The audio recordings of Committee meetings will be maintained for a period of four (4) years.

Rule 2.4 Public Participation

(a) Members of the public may attend any Committee meeting of the Board. Members of the public are required to switch cellular phones and similar electronic devices to a silent or off mode during Committee meetings.

(b) Members of the public may address the Board through a teleconference platform such as computer or telephone in accordance with these procedures. Instructions for participation will be included on every meeting agenda.

(c) Members of the public may address the Committee at a meeting on agenda items prior to or during the Committee's consideration of that item.

(d) Pursuant to Rule 2.1(b) of these Procedures, items may only be placed on a Committee agenda either by a decision by the full Board, the Board President, a Board member, or by the CEO and General Manager or his or her designee. Accordingly, no public comment will be taken on the form or content of the agenda.

(e) Speakers will have up to three (3) minutes to address the Committee on items on the agenda; provided, however, the total time allotted to any individual speaker shall not exceed nine (9) minutes. The Board President may, in their discretion, and based upon factors such as the length of the agenda, the substance of the agenda, the number of public comment speaker cards submitted, and whether the Board is in danger of losing a quorum, depart from the above referenced time limits for individual speakers, establish a time limit for particular issues, set a cumulative time limit, or otherwise regulate public comment. Speaking times may be extended at the discretion of the Committee Chair. Speakers will be limited to the time allocated by the Chair and will not be allowed to accept time from other members of the public in attendance at the meeting.

(f) Public speakers are expected to exercise decorum when addressing the Committee.

(g) Speakers are to direct their comments to the Committee. The public comment periods are not intended to be "Question and Answer" periods or conversations with the SMUD Board or SMUD staff.

(h) Any person desiring to address the Committee on an agenda item shall file a request to speak form with the Security Officer present at the meeting prior to the time the matter is called. The speaker shall designate on the request to speak form whether the speaker intends to address the Committee on an item on the agenda or on a non-agenda item. Public speakers wishing to distribute written materials to the Committee must hand the materials to the Security Officer who will distribute the written materials to the Committee and staff. Distributed materials will be made a part of the record and will be available to the public for inspection, unless otherwise confidential. Public speakers speaking will not be allowed to use signs, posters, videos, taped recordings or overheads in making their public comments.

(i) In the event that any Committee meeting is willfully interrupted or disrupted by a person or by a group or groups of persons so as to render the orderly conduct of the meeting infeasible, the Committee Chair, unless there is an objection by a majority of the Committee members present, may order the person, group or groups of persons willfully interrupting the meeting to leave the meeting or be removed from the meeting. In such case, the Committee Chair will:

(1) Notify the person, group, or groups of persons that they are in non-

compliance with meeting procedures;

(2) Request that they comply; and

(3) Inform them of the consequence of non-compliance

(j) At least fourteen (14) days in advance of a Committee meeting, members of the public may request the opportunity to be listed on the agenda for purposes of making a presentation at a Committee meeting on matters within SMUD's jurisdiction. Presentation requests must be initiated in writing by any individual and submitted to the Committee Chair through the Board of Director's office. Requests must state the following information:

(1) Subject matter;

(2) Presenter's name, address and telephone number;

(3) Any action(s) which the requestor wishes SMUD to take;

(4) Amount of time requested, not to exceed 10 minutes;

(5) Desired Committee meeting date.

The Committee Chair will review all complete presentation requests and, may at his or her discretion, direct the responsible staff to list the presentation on the Committee's agenda. If the Committee Chair denies a presentation request, the requesting party may address the Committee at a regular meeting subject to the three (3) minute time limitation.

(k) Members of the public are prohibited from bringing firearms, knives or other weapons of any kind, as well as bio-waste or bio-hazards, into the Board meeting room or any SMUD building.

(l) SMUD reserves the right to inspect packages, backpacks, purses, and similar containers prior to allowing members of the public entrance to Committee meetings.

Rule 2.5 Remote Participation Service Disruption (Policy on Disruptions of Telephonic or Internet Service During Public Meetings)

If the Chair is informed of a disruption to remote access services that prevents the public from attending or observing the meeting remotely, the Chair shall immediately announce the disruption and then shall recess the open session of the meeting and direct staff to diagnose and restore the disrupted service. During the disruption, the Board may meet in closed session but may not take action upon any agenda items.

The Board shall not reconvene the open session of the meeting until the earlier of the following: (a) remote access services are restored, in which case the Chair may reconvene the meeting, or (b) if a service disruption has lasted for at least one hour the Chair may reconvene the open session and take a rollcall vote on whether to find the public interest in continuing the meeting outweighs the public interest in remote public access. Upon adoption of such a finding, the Board/Committee may continue the open session without restored remote access services. In either case the minutes will reflect the nature of the disruption and restoration attempts, and the time the meeting was reconvened or whether the Chair decided to adjourn the meeting without reconvening.

“Disruption” means any failure, outage, or other interruption that prevents members of the public from attending or observing the meeting via these remote access services. “Remote access services” means the two-way telephonic service and/or two-way audiovisual platform used to provide real-time remote public attendance and observation of meetings.

CHAPTER III – HEARINGS

Rule 3.0 Hearings – General Procedures

(a) Hearings required by law will be held in compliance with the Municipal Utility District Act (California Public Utilities Code § 11501, *et seq.*) or other relevant statute, ordinance, or regulation. Unless otherwise required by applicable law, the procedures set forth in this Rule 3.0 shall apply to all SMUD Board hearings that do not involve a change in rates or rate structure.

(b) Any individual wishing to address the Board shall fill out a request to speak form and file the form with the Security Officer in attendance at the meeting. Public speakers wishing to distribute written materials to the Board must hand the materials to the Security Officer who will distribute the written materials to the Board and staff. Distributed materials will be made a part of the record and will be available to the public for inspection, unless otherwise confidential.

(c) Speakers will be called in an order determined by the Board President.

(d) Individuals will not be allowed to accept time from other individuals.

(e) Individuals may speak up to three (3) minutes. The Board President may, in his or her discretion and based upon factors such as the length of the agenda, the number of public comment speaker cards submitted, and whether the Board is in danger of losing a quorum, depart from the above referenced time limits for individual speakers, establish a time limit for particular issues, set a cumulative time limit, or otherwise regulate public comment. Speaking times may be extended at the discretion of the Board President.

(f) The Board will consider any written testimony or reports of reasonable length submitted by the public in advance of the hearing.

(g) All exhibits, including documentary materials, will be retained by the Board Secretary as part of the record of the hearings and will be available and will be available to the public for inspection.

Rule 3.1 Hearings – Rate Process

All rate hearings shall be conducted pursuant to the procedures set forth in Ordinance 15-1, attached hereto.

CHAPTER IV – CUSTOMER APPEALS OF DISPUTED BILLS

Rule 4.0 Disputed Bill Appeals Procedure

(a) Section 12823 of the Municipal Utility District Act (California Public Utilities Code § 11501, *et seq.*) establishes the rights of customers regarding disputed bills. For purposes of clarification, these procedures do not apply to the nonpayment of charges and fees by customers that do not dispute the accuracy of a bill.

(b) The following procedures shall govern the process by which a customer may file an appeal with the Board of Directors following an adverse determination by a SMUD Management Hearing Officer (Hearing Officer) under Section 12823(c) of the Municipal Utility District Act: .

(i) Following the SMUD Management Hearing, the Hearing Officer will mail his/her decision to the customer. Included in the mailing of the decision will be an appeal form and instructions on how the customer may appeal the decision to the Board of Directors. Under Rule and Regulation 10, Customer Services may include a request for payment of a deposit as evidence of good faith if such a deposit was not requested previously.

(ii) If the customer does not file an appeal form, the Hearing Officer's decision will be final. If the customer files an appeal form with Customer Services it must be received within ten (10) business days of the date of the Hearing Officer's letter or the customer's appeal will be rejected as untimely and the Hearing Officer's decision will be deemed final. Customer Services will notify the customer that the appeal is untimely. If the customer files an appeal form within 10 business days of the date of the Hearing Officer's letter, the appeal is considered timely. The appeal and appropriate documentation shall be forwarded to the appropriate SMUD Executive for processing, with a copy to the Board Office.

(iii) The Executive shall review the appeal, gather information and provide appropriate documentation to the Board Member for the ward in which the appealing customer resides (service address for the account in question).

(iv) The Board Member for the ward in which the appealing customer resides (service address for the account in question) shall review the information and may elect to contact the customer for additional information.

(v) Once the Board Member's review is complete, the appeal, including the recommendation (if any) of the Board Member, will be placed on the agenda of the Board of Directors for an upcoming meeting of the Board of Directors. The Board Office will notify the customer in writing of the date that the appeal will be heard so that the customer may appear and be heard if he/she so desires.

(vi) The appeal shall be heard by the Board of Directors, and a final decision on the appeal shall be rendered by the Board of Directors. Customer Services shall notify the customer in writing of the Board's decision.

(vii) The Board's decision represents final agency action.

DRAFT

Meeting Procedures of the SMUD Board of Directors

2026 Edition

Supersedes all previous versions

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INTRODUCTION

Welcome Statement

Welcome to the Board of Directors meeting. These procedures are designed to assist the community in understanding how the Sacramento Municipal Utility District (SMUD) Board of Directors conducts its meetings. Copies of the Meeting Procedures are available upon request through the office of the SMUD Board Secretary or on the internet at www.smud.org.

Authority

The Board of Directors governs SMUD and is its policy-making body. The Board appoints a Chief Executive Officer and General Manager responsible for SMUD's operations.

Board Tenure

The Board of Directors is comprised of seven members elected by ward to represent different geographic areas of the Sacramento region. The Directors serve four-year terms which are staggered.

Board Governance Policies

The Board of Directors operates under a set of governance policies. The governance policies define the Board's purpose and how it operates; SMUD's vision and strategic direction; and its links and delegations to staff. Copies of the Board governance policies are available upon request through the office of the SMUD Board Secretary or on the internet at www.smud.org.

These meeting procedures complement the Board's policies, but do not supersede them. If there is an inconsistency between any of the Board's policies and these meeting procedures, the Board's policies control.

CHAPTER I – BOARD MEETINGS

Rule 1.0 Time and Place

(a) Regular Board meetings occur the third Thursday of the month except that the regular meeting in December occurs the second Thursday of the month. Unless otherwise designated on the Board meeting agenda, regular meetings begin at 6:00 p.m.

All regular meetings are held in the SMUD Auditorium at 6201 S Street, Sacramento, California, unless otherwise designated on the Board meeting agenda.

(b) In the event that the Thursday Board meeting falls on a legal holiday, unless otherwise determined by the Board President, that meeting will be held on the next business day following the holiday and begin at the time specified for that Board meeting.

(c) Any meeting or session of the Board may be adjourned for cause, in good faith, at any time, or from time-to-time, when necessary for the expeditious transaction of business.

(d) All meetings of the Board, including regular, special and emergency meetings, are called in accordance with the Ralph M. Brown Act, California Government Code Section 54950, *et seq.* (Brown Act).

(e) Board members may participate in Board meetings through a telephone conference platform such as a computer or telephone in accordance with the Brown Act.

(f) Members of the public may audio or video record Board meetings provided that they do not block aisles, exits or interfere with public sight lines.

Rule 1.1 Parliamentary Procedures

In all cases not provided for by these meeting procedures, or by SMUD ordinance or resolution, parliamentary procedures will be in accordance with Robert's Rules of Order (current edition). The Board Secretary will act as parliamentarian to the Board.

Rule 1.2 Order of Business

Unless special circumstance apply, the regular order of business at each regular Board meeting is:

- (a) Call to Order
- (b) Pledge to the Flag
- (c) Roll Call
- (d) Cable Announcement
- (e) Customer Education Message
- (f) Approval of the Agenda
- (g) Committee Chair Reports

- (h) Statements from the Public (at the time the agenda item is considered)
- (i) Consent Calendar
- (j) Discussion Calendar
- (k) Public Comments (non-agenda items)
- (l) Directors' Reports
- (m) President's Report
- (n) CEO's Report
- (o) Adjournment

Rule 1.3 Quorum

(a) Four members of the Board constitute a quorum for a regular, special or emergency Board meeting. No business will be acted upon until a quorum is present. No business will be conducted when the number of Board members is reduced below a quorum with the exception of information items. The presiding member of the Board meeting will note for the record when a Board member arrives late to a Board meeting or departs before adjournment.

(b) Whenever two-thirds of the Board membership or two-thirds vote is required for approval of a matter, at least five members or five votes will be required to approve the matter.

Rule 1.4 Presiding Officer and Selection of Officers

(a) The President of the Board will preside over Board meetings. In the absence of the Board President, the Vice-President of the Board will preside at meetings. In the absence of both the Board President and the Vice-President, the members of the Board attending the meeting will choose a president pro tem who will preside at the meeting and will be determined as the first order of business.

(b) The Board President and Vice-President will serve one-year terms and will be selected through a nomination process which will be conducted in December of each year. If no successor is named by the conclusion of the officer's term, the officer shall continue in office until a successor is named.

Rule 1.5 Public Participation

- (a) Members of the public may attend any meeting of the Board of Directors except for closed sessions of the Board as determined by the Brown Act. Members of the public are required to switch cellular phones and similar electronic devices to a silent or off mode during Board meetings.
- (b) Members of the public may address the Board through a teleconference platform such as computer or telephone in accordance with these procedures. Instructions for participation will be included on every meeting agenda.
- (c) Members of the public may address the Board at a Board meeting on agenda items prior to or during the Board's consideration of that item, and on items of interest not on the agenda which are within SMUD's jurisdiction, except that no public comment will be taken on the form or content of the Board agenda itself except during the general public comment period.
- (d) To facilitate the SMUD Board's conduct of business, members of the public that wish to address the Board will have up to three (3) minutes during general public comment period and up to three (3) minutes on any individual agenda item on which the Board will take action. The Consent Calendar is considered a single item, and speakers are subject to the three (3) minute limit for the entire Consent Calendar. Items listed on the agenda but on which no Board action will be taken, including without limitation, Committee reports, Directors' reports, and the CEO's report shall be addressed in the general public comment period, and will be subject to the three (3) minute limitation. In addition to the above time limits, the total time allotted to any individual speaker shall not exceed nine (9) minutes for an entire Board meeting.
- (e) Notwithstanding the foregoing, the Board President may, in their discretion, and based upon factors such as the length of the agenda, the substance of the agenda, the number of public comment speaker cards submitted, and whether the Board is in danger of losing a quorum, depart from the above referenced time limits for individual speakers, establish a time limit for particular issues, set a cumulative time limit, or otherwise regulate public comment. Speaking times may be extended at the discretion of the Board President. Speakers will be limited to the time allocated by the Board President and will not be allowed to accept time from other members of the public in attendance at the meeting.
- (f) Public speakers are expected to exercise decorum when addressing the Board.
- (g) Speakers are to direct their comments to the Board. The public comment periods are not intended to be "Question and Answer" periods or conversations with the SMUD Board or SMUD staff. For non-agenda items, the Board members may not engage in an active discussion of the matter and are limited to

making a brief statement, asking clarifying questions or directing staff to follow up on a matter.

(h) Any person desiring to address the Board on an agenda item shall file a request to speak form with a Security Officer present at the meeting prior to the time the matter is called. The speaker shall designate on the request to speak form whether the speaker intends to address the Board on an item on the agenda or on a non-agenda item. Public speakers wishing to distribute written materials to the Board must hand the materials to the Security Officer who will distribute the written materials to the Board and staff. Distributed materials will be made a part of the record and will be available to the public for inspection, unless otherwise confidential. Public speakers speaking during the public comment period and on items on the agenda will not be allowed to use signs, posters, videos, taped recordings or overheads in making their public comments.

(i) In the event that any Board meeting is willfully interrupted or disrupted by a person or by a group or groups of persons so as to render the orderly conduct of the meeting infeasible, the Board President, unless there is an objection by a majority of the Board members present, may order the person, group or groups of persons willfully interrupting the meeting to leave the meeting or be removed from the meeting. In such case, the Board President will:

- (1) Notify the person, group, or groups of persons that they are in non-compliance with meeting procedures;
- (2) Request that they comply; and
- (3) Inform them of the consequence of non-compliance

(j) At least fourteen (14) days in advance of a scheduled Board meeting, members of the public may request the opportunity to be listed on the agenda for purposes of making a presentation at a Board meeting on matters within the SMUD's jurisdiction. Presentation requests must be initiated in writing and submitted to the Board President through the Board office. Requests must state the following information:

- (1) Subject matter;
- (2) Presenter's name, address and telephone number;
- (3) Any action(s) which the requestor wishes the Board to take;
- (4) Amount of time requested, not to exceed 10 minutes;
- (5) Desired Board meeting date.

The Board President will review all complete presentation requests and, may at his or her discretion, direct the Secretary of the Board to list the presentation on the Board's agenda. If the Board President denies a presentation request, the requesting party may address the Board at a meeting on a matter within SMUD's jurisdiction, subject to the three (3) minute time limitation.

(k) Members of the public are prohibited from bringing firearms, knives or other weapons of any kind, as well as bio-waste or bio-hazards, into the Board meeting room or any SMUD building.

(l) SMUD reserves the right to inspect packages, backpacks, purses, and similar containers prior to allowing members of the public entrance to Board meetings.

Rule 1.6 Remote Participation Service Disruption (Policy on Disruptions of Telephonic or Internet Service During Public Meetings)

If the President is informed of a disruption to remote access services that prevents the public from attending or observing the meeting remotely, the President shall immediately announce the disruption and then shall recess the open session of the meeting and direct staff to diagnose and restore the disrupted service. During the disruption, the Board may meet in closed session but may not take action upon any agenda items.

The Board shall not reconvene the open session of the meeting until the earlier of the following: (a) remote access services are restored, in which case the President may reconvene the meeting, or (b) if a service disruption has lasted for at least one hour the President may reconvene the open session and take a rollcall vote on whether to find the public interest in continuing the meeting outweighs the public interest in remote public access. Upon adoption of such a finding, the Board/Committee may continue the open session without restored remote access services. In either case the minutes will reflect the nature of the disruption and restoration attempts, and the time the meeting was reconvened or whether the President decided to adjourn the meeting without reconvening.

"Disruption" means any failure, outage, or other interruption that prevents members of the public from attending or observing the meeting via these remote access services. "Remote access services" means the two-way telephonic service and/or two-way audiovisual platform used to provide real-time remote public attendance and observation of meetings.

Rule 1.7 Approval of Board Minutes

The Board Secretary will provide a copy of the minutes of each regular meeting to each member of the Board with the next regular meeting agenda packet. The Board Secretary will provide a copy of the minutes of each special meeting at which Board action is taken to each member of the Board with the next month's

regular meeting agenda packet. The minutes of the preceding meeting will be approved as part of the Consent Calendar unless a Board member requests a discussion of the item.

Rule 1.8 Preservation of Minutes

The minutes of the Board will be maintained by the Board Secretary as a corporate record. The minutes of each meeting will be signed by the Secretary and by the officer who presided at the Board meeting. The Secretary is charged with the custody of all papers, books and documents of the Board and will make the same available for public inspection at all reasonable times in accordance with the California Public Records Act.

Rule 1.9 Taping and Web Streaming of Meetings

The Board Secretary will arrange to have regular Board meetings video-recorded and cablecast on Metro Cable Channel 14, except for closed sessions. SMUD will store video-recordings of Board meetings for a period of four (4) years. Video of the regular Board meetings will be streamed live and, together with the Board agenda, will be archived on the SMUD website for a one-year period.

Rule 1.10 Addressing the Board President and Recognition to Speak

(a) When any Board member is about to speak, he or she will seek recognition to speak from the Board President; and when two or more members address the Board President at the same time, the Board President will determine the speaking order. Once the Board President has recognized the right of the Board member to speak, the Board President will protect the speaker from disturbance or interference.

(b) The Board President will not recognize a member to speak again, except to answer questions, until all other Board members have had an opportunity to be heard.

(c) All members will have an opportunity to speak before the Board President enters debate on a regular item.

Rule 1.11 Procedure Regarding Motions

(a) **Motions in General:** A resolution, or any other action of the Board, may be proposed by any member including the Board President, by a motion to adopt. Such a motion, if seconded by a member, including the Board President, will be on the floor and must be considered; if not seconded, the motion is lost for lack of a second, and will be so declared by the Board President.

(b) **Amend a Motion:** A motion on the floor (with a second) may be amended at

any time before adoption or rejection by an amendatory motion made by any member including the Board President.

An amendatory motion may be in the form of a substitute motion so that it replaces the original motion and can be adopted by a single vote, or it may be phrased so as to amend the original motion; if the substitute motion fails to carry, the original motion will then be voted upon; if the amendment is separately voted upon and is not adopted, the original motion will then be voted upon; if the amendment is adopted, the original motion as amended will then be voted upon.

(c) **Withdraw a Motion:** A motion may be withdrawn by the maker at any time before adoption or rejection with the consent of the second. The second to a motion may be withdrawn by the seconding member at any time before adoption or rejection of the motion; the motion will then be lost for lack of a second and so declared by the Board President unless seconded by another member.

(d) **Motion to Call the Question:** The purpose of a motion to call the question is to close debate and to vote immediately on a motion. After a motion has been seconded, any member may discuss or comment on the subject of the motion. When no member wishes to discuss or comment further, the Board President will call for a vote on the motion. At any time after a motion has been seconded, any member who has the floor, including the Board President, may move to call for the question. The Board President will then state, "the question has been called for." If four members, one of whom may be the Board President, then concur, the Board President will call for a vote on the motion. If less than four members concur, discussion of the motion will then continue until the question is again called for or discussion terminates and a vote is called for by the Board President.

(e) **Motion to Table:** The purpose of this motion is to terminate further consideration of the subject under discussion. At any time after a motion has been seconded, any member, including the Board President, may move to table the motion. If the tabling motion is seconded, the Board President will call for a vote on the tabling motion. If the tabling motion is adopted, the original motion will remain on the floor but may not again be considered at the meeting at which the tabling motion was adopted except following the adoption of a motion to remove the original motion from the table. The original motion may be considered and voted upon at the next regular meeting of the Board unless again tabled. If not considered at such meeting, it will be deemed lost. If the tabling motion is not adopted, consideration of the original motion will continue under these rules. For the purposes of this section, if the Board recesses the meeting at which a motion has been tabled, the reconvened meeting will be considered a separate meeting and the original motion may be considered and voted upon.

(f) **Motion to Reconsider a Vote:** A motion to reconsider the vote may be made by any member who voted with the prevailing side. No question can be twice

reconsidered unless it was amended after its first consideration. A motion to reconsider the vote may be made only at the meeting at which the original vote was taken or, if the Board recesses such meeting, at the reconvened meeting.

Rule 1.12 Roll Call

(a) The Chief Legal Officer and General Counsel will conduct a roll call at the beginning of each publicly noticed Board and Committee meeting.

(b) The roll need not be called in voting upon a motion except where specifically required by law or requested by a member. If the roll is not called, Board members will cast their votes electronically.

(c) Each roll call of the Board will be in ward order, except that the Board President will be called last.

Rule 1.13 Overruling the Board President

A decision of the Board President with respect to the interpretation, applicability or enforcement of these rules may be overruled by majority vote of the Board.

Rule 1.14 Suspension of Rules

Any permanent rule of the Board may be suspended temporarily by a majority of the Board, provided that the temporary suspension will apply only to the matter under immediate consideration, and in no case will it extend beyond an adjournment.

Rule 1.15 Amendment of Board Meeting Procedures

These meeting procedures may be amended by a majority vote of the Board.

CHAPTER II - COMMITTEES

Rule 2.0 Time and Place

(a) Whenever a standing Committee meeting is also noticed as a special Board Meeting, it shall be conducted as a Committee meeting and members of the Board that are not assigned to the Committee may attend and participate in the discussions, whether or not a quorum of the Board is present. In order to preserve the function of the Committee as advisory to the Board, no Board action will be taken at a Committee meeting, unless otherwise noted on the agenda.

(b) Committee members may participate in Board meetings through a telephone conference platform such as a computer or telephone in accordance with the Brown Act.

(c) Members of the public may audio or video record Committee meetings provided that they do not block aisles, exits or interfere with public sight lines.

Rule 2.1 Purpose and Quorum

(a) Board Committees assist the Board by gaining education, considering alternatives and implications, preparing policy alternatives, and making recommendations to the full Board. As a general rule, matters to be considered by the Board will first be referred to a Committee.

(b) Two members of the Board will constitute a quorum for a Committee meeting. Where the number of Board members is reduced below a quorum during a Committee meeting, the Committee may continue to conduct business. Where a Committee lacks a quorum, the Board President, Board Vice-President or Committee Chair, in that order, may appoint a non-committee Board member to serve on the Committee for that meeting.

Rule 2.2 Preparation and Preservation of Minutes

(a) Minutes of each Committee meeting will be prepared by the responsible Executive and reviewed by the Board Secretary. The presiding officer of the Committee will sign the minutes indicating approval of the minutes.

(b) The minutes of Committee meetings will be maintained by the Board Secretary as a corporate record.

Rule 2.3 Taping and Web Streaming of Committee Meetings

Committee meetings will be audio recorded and will be audio streamed live to the public and archived on the SMUD website for one (1) year. The audio recordings of Committee meetings will be maintained for a period of four (4) years.

Rule 2.4 Public Participation

(a) Members of the public may attend any Committee meeting of the Board. Members of the public are required to switch cellular phones and similar electronic devices to a silent or off mode during Committee meetings.

(b) Members of the public may address the Board through a teleconference platform such as computer or telephone in accordance with these procedures. Instructions for participation will be included on every meeting agenda.

(c) Members of the public may address the Committee at a meeting on agenda items prior to or during the Committee's consideration of that item.

(d) Pursuant to Rule 2.1(b) of these Procedures, items may only be placed on a Committee agenda either by a decision by the full Board, the Board President, a Board member, or by the CEO and General Manager or his or her designee. Accordingly, no public comment will be taken on the form or content of the agenda.

(e) Speakers will have up to three (3) minutes to address the Committee on items on the agenda; provided, however, the total time allotted to any individual speaker shall not exceed nine (9) minutes. The Board President may, in their discretion, and based upon factors such as the length of the agenda, the substance of the agenda, the number of public comment speaker cards submitted, and whether the Board is in danger of losing a quorum, depart from the above referenced time limits for individual speakers, establish a time limit for particular issues, set a cumulative time limit, or otherwise regulate public comment. Speaking times may be extended at the discretion of the Committee Chair. Speakers will be limited to the time allocated by the Chair and will not be allowed to accept time from other members of the public in attendance at the meeting.

(f) Public speakers are expected to exercise decorum when addressing the Committee.

(g) Speakers are to direct their comments to the Committee. The public comment periods are not intended to be "Question and Answer" periods or conversations with the SMUD Board or SMUD staff.

(h) Any person desiring to address the Committee on an agenda item shall file a request to speak form with the Security Officer present at the meeting prior to the time the matter is called. The speaker shall designate on the request to speak form whether the speaker intends to address the Committee on an item on the agenda or on a non-agenda item. Public speakers wishing to distribute written materials to the Committee must hand the materials to the Security Officer who will distribute the written materials to the Committee and staff. Distributed materials will be made a part of the record and will be available to the public for inspection, unless otherwise confidential. Public speakers speaking will not be allowed to use signs, posters, videos, taped recordings or overheads in making their public comments.

(i) In the event that any Committee meeting is willfully interrupted or disrupted by a person or by a group or groups of persons so as to render the orderly conduct of the meeting infeasible, the Committee Chair, unless there is an objection by a majority of the Committee members present, may order the person, group or groups of persons willfully interrupting the meeting to leave the meeting or be removed from the meeting. In such case, the Committee Chair will:

(1) Notify the person, group, or groups of persons that they are in non-

compliance with meeting procedures;

(2) Request that they comply; and

(3) Inform them of the consequence of non-compliance

(j) At least fourteen (14) days in advance of a Committee meeting, members of the public may request the opportunity to be listed on the agenda for purposes of making a presentation at a Committee meeting on matters within SMUD's jurisdiction. Presentation requests must be initiated in writing by any individual and submitted to the Committee Chair through the Board of Director's office. Requests must state the following information:

(1) Subject matter;

(2) Presenter's name, address and telephone number;

(3) Any action(s) which the requestor wishes SMUD to take;

(4) Amount of time requested, not to exceed 10 minutes;

(5) Desired Committee meeting date.

The Committee Chair will review all complete presentation requests and, may at his or her discretion, direct the responsible staff to list the presentation on the Committee's agenda. If the Committee Chair denies a presentation request, the requesting party may address the Committee at a regular meeting subject to the three (3) minute time limitation.

(k) Members of the public are prohibited from bringing firearms, knives or other weapons of any kind, as well as bio-waste or bio-hazards, into the Board meeting room or any SMUD building.

(l) SMUD reserves the right to inspect packages, backpacks, purses, and similar containers prior to allowing members of the public entrance to Committee meetings.

Rule 2.5 Remote Participation Service Disruption (Policy on Disruptions of Telephonic or Internet Service During Public Meetings)

If the Chair is informed of a disruption to remote access services that prevents the public from attending or observing the meeting remotely, the Chair shall immediately announce the disruption and then shall recess the open session of the meeting and direct staff to diagnose and restore the disrupted service. During the disruption, the Board may meet in closed session but may not take action upon any agenda items.

The Board shall not reconvene the open session of the meeting until the earlier of the following: (a) remote access services are restored, in which case the Chair may reconvene the meeting, or (b) if a service disruption has lasted for at least one hour the Chair may reconvene the open session and take a rollcall vote on whether to find the public interest in continuing the meeting outweighs the public interest in remote public access. Upon adoption of such a finding, the Board/Committee may continue the open session without restored remote access services. In either case the minutes will reflect the nature of the disruption and restoration attempts, and the time the meeting was reconvened or whether the Chair decided to adjourn the meeting without reconvening.

“Disruption” means any failure, outage, or other interruption that prevents members of the public from attending or observing the meeting via these remote access services. “Remote access services” means the two-way telephonic service and/or two-way audiovisual platform used to provide real-time remote public attendance and observation of meetings.

CHAPTER III – HEARINGS

Rule 3.0 Hearings – General Procedures

(a) Hearings required by law will be held in compliance with the Municipal Utility District Act (California Public Utilities Code § 11501, *et seq.*) or other relevant statute, ordinance, or regulation. Unless otherwise required by applicable law, the procedures set forth in this Rule 3.0 shall apply to all SMUD Board hearings that do not involve a change in rates or rate structure.

(b) Any individual wishing to address the Board shall fill out a request to speak form and file the form with the Security Officer in attendance at the meeting. Public speakers wishing to distribute written materials to the Board must hand the materials to the Security Officer who will distribute the written materials to the Board and staff. Distributed materials will be made a part of the record and will be available to the public for inspection, unless otherwise confidential.

(c) Speakers will be called in an order determined by the Board President.

(d) Individuals will not be allowed to accept time from other individuals.

(e) Individuals may speak up to three (3) minutes. The Board President may, in his or her discretion and based upon factors such as the length of the agenda, the number of public comment speaker cards submitted, and whether the Board is in danger of losing a quorum, depart from the above referenced time limits for individual speakers, establish a time limit for particular issues, set a cumulative time limit, or otherwise regulate public comment. Speaking times may be extended at the discretion of the Board President.

(f) The Board will consider any written testimony or reports of reasonable length submitted by the public in advance of the hearing.

(g) All exhibits, including documentary materials, will be retained by the Board Secretary as part of the record of the hearings and will be available and will be available to the public for inspection.

Rule 3.1 Hearings – Rate Process

All rate hearings shall be conducted pursuant to the procedures set forth in Ordinance 15-1, attached hereto.

CHAPTER IV – CUSTOMER APPEALS OF DISPUTED BILLS

Rule 4.0 Disputed Bill Appeals Procedure

(a) Section 12823 of the Municipal Utility District Act (California Public Utilities Code § 11501, *et seq.*) establishes the rights of customers regarding disputed bills. For purposes of clarification, these procedures do not apply to the nonpayment of charges and fees by customers that do not dispute the accuracy of a bill.

(b) The following procedures shall govern the process by which a customer may file an appeal with the Board of Directors following an adverse determination by a SMUD Management Hearing Officer (Hearing Officer) under Section 12823(c) of the Municipal Utility District Act: .

(i) Following the SMUD Management Hearing, the Hearing Officer will mail his/her decision to the customer. Included in the mailing of the decision will be an appeal form and instructions on how the customer may appeal the decision to the Board of Directors. Under Rule and Regulation 10, Customer Services may include a request for payment of a deposit as evidence of good faith if such a deposit was not requested previously.

(ii) If the customer does not file an appeal form, the Hearing Officer's decision will be final. If the customer files an appeal form with Customer Services it must be received within ten (10) business days of the date of the Hearing Officer's letter or the customer's appeal will be rejected as untimely and the Hearing Officer's decision will be deemed final. Customer Services will notify the customer that the appeal is untimely. If the customer files an appeal form within 10 business days of the date of the Hearing Officer's letter, the appeal is considered timely. The appeal and appropriate documentation shall be forwarded to the appropriate SMUD Executive for processing, with a copy to the Board Office.

(iii) The Executive shall review the appeal, gather information and provide appropriate documentation to the Board Member for the ward in which the appealing customer resides (service address for the account in question).

(iv) The Board Member for the ward in which the appealing customer resides (service address for the account in question) shall review the information and may elect to contact the customer for additional information.

(v) Once the Board Member's review is complete, the appeal, including the recommendation (if any) of the Board Member, will be placed on the agenda of the Board of Directors for an upcoming meeting of the Board of Directors. The Board Office will notify the customer in writing of the date that the appeal will be heard so that the customer may appear and be heard if he/she so desires.

(vi) The appeal shall be heard by the Board of Directors, and a final decision on the appeal shall be rendered by the Board of Directors. Customer Services shall notify the customer in writing of the Board's decision.

(vii) The Board's decision represents final agency action.

RESOLUTION NO. _____

WHEREAS, California Public Utilities Code section 11908 requires this Board to establish rules for its proceedings; and

WHEREAS, Senate Bill 707 (SB 707) requires the governing boards of certain “eligible districts” to adopt a policy regarding interruptions to remote access services for board meetings; and

WHEREAS, it is prudent to revise the Meeting Procedures to reflect changes made by this Board to ensure the efficient conduct of meetings; **NOW, THEREFORE,**

**BE IT RESOLVED BY THE BOARD OF DIRECTORS
OF THE SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

Section 1. This Board adopts the 2026 Edition of the **Meeting Procedures of the SMUD Board of Directors**, substantially in the form set forth in **Attachment __** hereto and made a part hereof.

Section 2. Prior versions of the Meeting Procedures of the SMUD Board of Directors are superseded in their entirety.