Exhibit to Agenda Item #4

Board Finance & Audit Committee Meeting and Special SMUD Board of Directors Meeting

Tuesday, December 10, 2019 scheduled to begin at 5:30 p.m.

Customer Service Center, Rubicon Room
2020 WY Precipitation Forecast

10% Exceedance (64")
25% Exceedance (55")
50% Exceedance (45")
75% Exceedance (35")
90% Exceedance (26")

Data through November 30, 2019
3.01 inches

Probability of Exceedance can be calculated and by corollary the Probability of Occurrence (based on PCF data from 1942 WY to present).

Water Year Type Probs.
Spill/Refill Probs.
Operating Plan Probs.

Wet 15%
Will Spill 13%
Wetter than Oper. Plan 37%

Above Norm. 22%

Below Norm. 27%

Drier than Oper. Plan 63%

Dry 21%
Will Not Refill 15%
Key Points – Precipitation Forecast

- Rainfall in November was 2.96” compared to historical average of 6.4”
- Although the precipitation this year has started off slow, a series of storms are forecasted over the next ten days
- SMUD has in place financial mitigation tools that hedge against hydroelectric uncertainty – HRSF/HGA and RSF (WAPA)
  - HRSF current Balance - $82.4M
- Projected transfer into WAPA RSF(2019) - ~$10.5M
2019 Cumulative Commodity Variance

[Graph showing the cumulative commodity variance from January to December in 2019.]
2019 Cumulative Commodity & Revenue Variances (Impacts to Net Income)
2019 Cumulative Net Income Variance

Millions

Jan   Feb   Mar   Apr   May   Jun   Jul   Aug   Sep   Oct   Nov   Dec
$(20)  0     20    40    60    80   100   120   140   160   180   200
2019 Days Cash on Hand