Exhibit to Agenda Item # 2

Board Policy Committee Meeting and Special SMUD Board of Directors Meeting
Wednesday, September 11, 2019 scheduled to begin at 5:30 p.m.
Customer Service Center, Rubicon Room
Environmental leadership is a core value of SMUD. The Board is committed to environmental leadership through community engagement, continuous improvement in pollution prevention, carbon reduction, energy efficiency, and conservation.

Therefore:

a. SMUD will conduct its business affairs and operations in a manner that reduces adverse environmental impacts, reduces pollution, and enhances resource conservation and stewardship.

b. SMUD will provide leadership in the reduction of the region’s total emissions of greenhouse gases through proactive programs in all SMUD activities and development and support of national, State, and regional climate change policies and initiatives.

c. SMUD will promote the efficient use of energy by its customer-owners.

d. SMUD will proactively engage its customer-owners and other stakeholders in meeting this directive.
Environmental Services at SMUD

Air Quality

Water Quality

Environmental Stewardship

Environmental Sustainability

CEQA Clearinghouse

GHG Reporting

SD-7 Compliance

Hazmat Management
2018 Environmental Leadership

Reduction of environmental impacts and enhanced resource conservation and stewardship (SD-7-a)
- SMUD Sustainability Efforts
- HQ Urban Forestry Plan & Integrated Vegetation Management
- Sacramento Environmental Commission Award for Environmental Leadership
- Health Risk Assessments

Regional, state and national leadership in the reduction of GHG emissions (SD-7-b)
- Sulfur Hexafluoride Reduction Program
- Transportation Electrification
- Rancho Seco Solar II and Solano Phase IV Planning
- Integrated Resource Planning Efforts

Promote customer use of efficient energy (SD-7-c)
- Environmentally Sustainable Purchasing Program (ESPP)
- Greenergy®, Energy Assistance Program (EAPR), SolarShares®, Shade Tree Program
- SMUD Commercial Development Team- Electric Communities & Twin Rivers Project (electric school buses)

Proactively engage customers and other stakeholders in meeting environmental leadership directive (SD-7-d)
- Sustainable Communities
- Clean Cities, Cleaner Air Partnership, California Clean Air Day (10/2/19)
- Carbon Disclosure Program
2018 GHG Emissions


* SMUD electric sales are net of wholesale electricity.
** The 2018 GHG Emissions data for natural gas powered plants has been verified by an independent 3rd party.
2018 SMUD Environmental Leadership by the Numbers

- 9,147 Shade Trees Planted
- 472 Tons of Recycled Transformer Steel
- 57,000 gallons of Recycled Transformer Oil
- 757 tons of Materials Salvaged
Challenges and Opportunities

Challenges
- Climate Change and Adaptation
- Federal vs. State Regulations (e.g., wetlands delineation process)
- Technology Changes
- Notice of Violation Reduction Efforts

Opportunities
- Community Partnering (e.g., Green City/Electrify America)
- Improved Internal Efficiency and Process Improvements
- Leveraging Lead Industry Groups and Partnerships
- Improved Training and Awareness
Alignment: Tell Our Story Differently

- Governing many different, yet often intersecting, lines of business within SMUD.

- Creating a line of sight identifying how each area of work creates value for our customers and community.

- Articulating and accurately reflecting the history and continued investment of resources benefitting the greater Sacramento region.
Requested Action

- SMUD is in Compliance with SD-7.

- It is recommended that the Board accept the Monitoring Report for SD-7, Environmental Leadership.

- Place item on the Board consent calendar for approval September 11, 2019.