Exhibit to Agenda Item #2
Accept the monitoring report for **Strategic Direction SD-7, Environmental Leadership**.

Board Policy Committee and Special SMUD Board of Directors Meeting
Wednesday, September 9, 2020, scheduled to begin at 5:30 p.m.
Virtual Meeting (online)
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.
The Environmental Services Department

CEQA Team
- Environmental Review
- CEQA Clearinghouse
- Avian Protection
- Long Term Real Estate Planning
- Bio/Wetland Permitting

Compliance Team
- Air Quality Management
- Stormwater & Water Quality Mgmt.
- Environmental Engineering & Remediation
- Site Characterization
- Soil Import & Disposal Mgmt.

Greenhouse Gas Reporting
- Tracking & Reporting of GHG emissions (Federal, State, TCR, & CDP)
- SF₆ Tracking

Environmental Sustainability
- SMUD’s Environmental Sustainability Roadmap
- SMUD Green Team
- Carbon Footprint Dashboard
- Outward-Facing Sustainability Report
2019 Environmental Leadership

Reduction of environmental impacts and enhanced resource conservation and stewardship (SD-7-a)
- SMUD Sustainability Efforts, internal Carbon Footprint Dashboard
- Wildfire Mitigation Plan
- Solano Wind Programmatic Eagle Permit

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

Promote customer use of efficient energy (SD-7-c)
- Environmentally Sustainable Purchasing Program (ESPP)
- Greenenergy®, Energy Assistance Program (EAPR), SolarShares®
- Sacramento Shade Program
- SMUD Energy Store, training classes and videos

Proactively engage customers and other stakeholders in meeting environmental leadership directive (SD-7-d)
- Sustainable Communities (Local Vision Award from SVS-APA)
- Customer JD Power Sustainability and Escalent/Congent Environmental Champion awards
- Clean Cities, Cleaner Air Partnership, California Clean Air Day
- 2019 CDP Disclosure ("B" Grade), TCR Climate Registered™ Platinum Status
# 2019 SMUD Environmental Leadership by the Numbers

| 10,697 shade trees planted | 433 tons of recycled transformer steel | 51,205 gallons of recycled transformer oil | 703 tons of materials salvaged |
2019 GHG Emissions


* SMUD electric sales are net of wholesale electric.
** The 2019 GHG Emissions data for natural gas powered plants has been verified by an independent 3rd Party.
What SMUD is doing to make Communities Sustainable

- Keeping Our Commitments to Community
- Sustainable Communities Resource Priorities Map Release and Training
- Community Workforce Partnerships
- Realigning Resources for Collective Impact
- Shine Optimization
- Partner Connections Alignment
- Online Learning Options/Digital Inclusion
- Microloan Program
- Community Resource Liaisons and SMUD Volunteer Program
Solano Wind Programmatic Eagle Permit

- 5-year term but SMUD is moving to extend the permit to 30 years.
- Applies to Solano Phases 1, 2 and 3.
- Balances eagle conservation with wind turbine operation.
- Ongoing retrofitting of 185 power poles in combination with extensive monitoring.
- Investigation of each eagle incident with USFWS.
Challenges and Opportunities

Challenges
• Climate Change and Adaptation
• Federal vs. State Regulations
• Technology Changes
• Complicated Environmental Remediation Projects
• Alternative Commute Participation

Opportunities
• Community Partnering (e.g., SCI, California Mobility Center)
• Improved Internal Efficiency and Process Improvements
• Leveraging Lead Industry Groups and Partnerships
• Improved Training and Awareness
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 17, 2020.