Exhibit to Agenda Item #5

Provide the Board with the financial results from the nine-month period ended September 30, 2021.

Board Finance & Audit Committee and Special SMUD Board of Directors Meeting
Tuesday, November 16, 2021, scheduled to begin at 6:30 p.m.
Virtual Meeting (online)
# September 2021 YTD Financial Highlights

## Customer Revenue
- $1,199 Million
- $36 million or 3.1% higher customer revenues than budgeted (favorable)
  - Customer revenue $51M over target due to higher usage and warmer weather
  - Offset by increased bad debt expense of $15M over target
  - $100M Accounts Receivable arrears balance with estimated uncollectible balance of $69M

## Commodity
- $428 Million
- $28M or 7.1% higher commodity expenditures than budgeted (unfavorable)
  - Purchased power higher due to reduced hydro generation available
  - Non-cash revenue transfer from Hydro Rate Stabilization fund of $19 million will offset increased summer purchased power costs from lack of hydro

## Other Operating Expenses
- $362 Million
- $66M or 15.3% lower expenditures than budgeted (favorable)
  - Administrative and general expenditures $31M lower due to various general expenses
  - Customer expenses $11M lower due to various impacts of COVID
  - Public Good $17M lower due to decreased research and development expenses

## Non-cash Expenses
- $166 Million
- $25M or 13.1% lower non-cash expenses than budgeted (favorable)
  - Accounting Governmental Accounting Standards Board required journal entries

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$234 million

“Net income”
Net position YTD
Favorable compared to budget

* $9 million in other net expenses and revenues not included in the highlights above
September 2021 Energy Sources

Hydro generation was less than half of budget for September, and 70% lower than budget year-to-date.

Thermal plants generated slightly more than budget to make up the shortfall of hydro for September, and 30% more than budget year-to-date.

Net purchased power slightly lower than budget for month of September due to thermal making up the shortfall of hydro for the month. However, 6% higher than budget year-to-date.