Exhibit to Agenda Item # 2
Brief the Board on SMUD’s Community Impact Plan.

Board Strategic Development Committee and Special SMUD Board of Directors Meeting
Tuesday, August 9, 2022, scheduled to begin at 5:30 p.m.
Virtual Meeting (online)
Board Climate Emergency Declaration

Zero Carbon Plan
- No community left behind
- Inclusive economic development

Community Impact Plan

How we get there!
This strategy addresses SMUD’s commitment to making meaningful investments in under-resourced communities to ensure their participation in a clean energy future.

2021 2022 2023-2025
Who Are Our Under-Resourced Customers?

Residential:
- Low/Median income
  - Low: 0-200% federal poverty level
  - Median: 200-400% federal poverty level
- Additional considerations
  - Renters
  - Underserved populations

Barriers & Challenges
- Lack of income to afford necessities
- Higher energy burdens
- Poor housing conditions that is likely leading to health impacts
- Cultural/language barriers

Commercial
- Small business
- Nonprofits & Community-based organizations

Focus on red zones
- ~69k residential
  - 18,500 EAPR (Energy Assistance Program Rate)
- ~11k small businesses

Geographic Areas of Interest
- ~69k residential
- 18,500 EAPR (Energy Assistance Program Rate)
- ~11k small businesses
What We Heard From the Community

- Simplified messaging and materials
- The Need for Cultural (Community) Ambassadors
- Programs relevant to renters, median income, small businesses
- Jobs and workforce development are priorities
- Community Based Organization Capacity Building
Community Impact Plan Key Initiatives

Core areas:
- Affordability
- Equitable Access
- Community engagement

Double current investment towards under-resourced communities

- **Diversify portfolio offerings** to include options beyond direct install and that are accessible to a broader customer base
  - Increased incentives for affordable housing providers, median income residents, small business and non-profits
  - Financing options
  - Increased Shine Award funding

- **Inclusive economic development and workforce training**
  - New job training and apprenticeship programs specific to clean energy jobs
  - Investment in business community through Property and Business Improvement Districts and regional Chamber partners

- **Capacity building for non-profits** to help further our reach (Zero Carbon Plan engagement) and enhance ability to support communities

- **Community education/outreach plan** that micro-targets under resourced areas
  - Create a Cultural Ambassador team
  - Expand depth/breadth of translations (languages and materials)
Community Impact Plan Investment

Day 1

- Small business/non-profit customers offerings: 29%
- Income eligible/median income residential customers offerings: 39%
- Regional workforce development: 12%
- Community education/engagement: 10%
- Infrastructure upgrades: 8%
- Capacity building for non-profits: 2%

68% directly to the customer

Tomorrow

- Grant funding and community partnerships: ~$30M/yr

~$13.5M/yr

- Small business/non-profit customers offerings: 29%
- Income eligible/median income residential customers offerings: 39%
- Regional workforce development: 12%
- Community education/engagement: 10%
- Infrastructure upgrades: 8%
- Capacity building for non-profits: 2%

39%
## Complementary Planned Projects

<table>
<thead>
<tr>
<th>Segment</th>
<th>Strategy</th>
<th>Program Elements</th>
<th>Impacts</th>
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</thead>
<tbody>
<tr>
<td><strong>EV Equity programs</strong></td>
<td>• Residential</td>
<td>Affordability</td>
<td>Increased electric vehicle ownership in under-resourced areas</td>
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<tr>
<td></td>
<td>• Commercial</td>
<td>Equitable Access</td>
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<td></td>
<td></td>
<td>• Clean Cars 4 All program continuation</td>
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<td>• Elec Vehicle Supply Equipment (EVSE) installs for low income</td>
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<td>• E-mobility hubs</td>
<td>Increased electric vehicle charging infrastructure in under-resourced areas</td>
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<td></td>
<td></td>
<td>• Community partnerships</td>
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<td></td>
<td></td>
<td>• Workforce development</td>
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<tr>
<td><strong>Solar and Storage</strong></td>
<td>• Residential</td>
<td>Affordability</td>
<td>Increased participation in solar/storage in under-resourced areas</td>
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<tr>
<td></td>
<td>• Commercial</td>
<td>Equitable Access</td>
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<td>• Earmarks for storage</td>
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<td></td>
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<td>• Solar installs</td>
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<tr>
<td><strong>Load flexibility programs</strong></td>
<td>• Residential</td>
<td>Affordability</td>
<td>Increased opportunities for bill savings</td>
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<tr>
<td></td>
<td>• Commercial</td>
<td>Equitable Access</td>
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<td>• Next Gen Air Conditioning Load Management (ACLM) program</td>
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<td>• Smart thermostat deployment for income-eligible customers</td>
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<td>• My Energy Optimizer recruitment</td>
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Neighborhood Approach

Potential neighborhoods
• Avondale
• Parkway
• Meadowview
• Fruitridge Manor
• Lawrence Park
• North Highlands
• Gardenland

Select a group of homes in a red zone:
• Age of home
• % Energy Assistance Program Rate
• % inefficient cooling

• Engage community to create support and recruit homeowners and property owners
• Conduct energy assessment of each home/business
• Assign contractors to perform direct installation of equipment;
  Measures may include 1 or more:
  – Heat Pump Space Heating
  – Heat Pump Water Heater
  – Induction Stove/ commercial cooking equipment
  – EV ready
  – Solar (<10% of customers)
• Address urban heat through tree planting
• Educate community on climate change impacts, monitoring energy usage, the benefits of electrification;
• In-language and translation support provided as applicable

Gardenland Natomas: <100 homes
Community Impact Plan Multiplier Effect

### Core areas:
- Affordability
- Equitable Access
- Community education

<table>
<thead>
<tr>
<th>Multiplier Effect</th>
<th>Description</th>
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<tr>
<td>3x</td>
<td>Customers receiving an electrification measure</td>
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<tr>
<td>3x</td>
<td>Carbon tonnes savings</td>
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<tr>
<td>100</td>
<td>New apprenticeships</td>
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<tr>
<td>3,000</td>
<td>Individuals trained for clean energy careers</td>
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<tr>
<td>300</td>
<td>New small businesses</td>
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<tr>
<td>6,400</td>
<td>New direct and indirect jobs*</td>
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<td>$65M</td>
<td>Sacramento Region income generated*</td>
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*Source: Greater Sacramento Economic Council