Exhibit to Agenda Item #5
Quarterly Procurement Report for First Quarter 2022.

Board Finance & Audit Committee and Special SMUD Board of Directors Meeting
Tuesday, May 17, 2022, scheduled to begin at 5:30 p.m.
Virtual Meeting (online)
Compliance BL-8

- Competition
- Inclusiveness
- Economic Development
- Protests
- Responsible Bidder
- Supply Chain Risk
- Environmental Procurement
### Competition

**Contract Awards**

#### Year-to-Date Totals

**Q1 2022**

- $79 million total contract awards
- 82% competitively awarded, or $65 million

#### Year-to-Date Contract Awards ($M)

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Awarded</th>
<th>Competitively Awarded</th>
<th>Exempt</th>
<th>Sole Source</th>
<th>Direct Procurement</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>$411</td>
<td>$385</td>
<td>$6.5</td>
<td>$18</td>
<td>$2</td>
</tr>
<tr>
<td>2021</td>
<td>$259</td>
<td>$177</td>
<td>$9</td>
<td>$19</td>
<td>$54</td>
</tr>
<tr>
<td>2022-Q1</td>
<td>$79</td>
<td>$65</td>
<td>$1.8</td>
<td>$11</td>
<td>&lt;$1M</td>
</tr>
</tbody>
</table>
Inclusiveness
Participation & Completion

- In Q1 2022, there were 32 events with an average of 3.2 bidders
- On average, we exceeded our target of 3 or more bidders per event in Q1
Supplier Education & Economic Development (SEED) Participation

- Q1 2022 SEED participation was 24.6%
- Exceeded our goal of 20%
- $19.1M total SEED
- $5.3M subcontracting
- $13.8M prime contracts
Supplier Education & Economic Development (SEED) Compliance Reporting

SEED Contracts

• Since 2015 to date, SMUD has closed 53 SEED contracts with 102% compliance in overall spending

• 2 contracts ended in Q1:

  Power Contracting, LLC
  • 2020 contract; 1 years; Pole Replacement and Other Line Work
  • Committed to 4.3% SEED participation, achieved 4.8% SEED

  Hot Line Construction
  • 2020 contract; 1 years; General Line Construction Work
  • Committed to 20% SEED participation, achieved 9.1% SEED
Protests

Summary of Protests

Q1 2022 Protests

No protests in Q1
Supply Chain Disruptions Update

Where we’ve been

March 2020
Beginning of COVID-19 Pandemic

February 2022, Q4 Report
• Global supply chain impacts
• Utility industry impacts
• SMUD supply chain update

May 2020, Q1 Report
• COVID response
• Masks & supplies
• Price impacts

November 2020, Q3 Report
• Material costs
• Increase in demand
• Transformer example

May 2021, Q1 Report
• Material costs
• Increase in demand
• Transformer example

August 2021, Q2 Report
• Risk policy update (BL-8)
• Expanded risk measures

May 2022, Q1 Report
• Where we’ve been
• Current status, impacts
• Next steps
Supply Chain Disruptions Update

Current Status

Problem Statement

- Domestic utility manufacturing supply chain issues have started to impact SMUD’s ability to purchase equipment
- Lead times have been increasing regularly since late 2020, after a number of years of steady lead times 10-20 weeks
- The sharp increase in construction activity in California and other parts of the country is a key driver
- Other factors include inflation, global commodity supply, fuel, transportation costs and impacts from manufacturing delays due to COVID-related shutdowns
- Manufacturers are operating at full capacity and in catch-up mode

Transformer Lead Times
Supply Chain Disruptions Update

SMUD Staff Actions

Mitigation Actions

- Reviewed and refined minimum inventory standards for reliability-related stock
- Currently meeting with customers with construction projects and confirming service dates
- Exploring other avenues to secure inventory; discussions with manufacturers and California utilities
- Exploring new approaches to assist customers

Staff will continue to inform customers and the Board of future developments, including potential for project delays