Exhibit to Agenda Item #1
Accept the monitoring report for Strategic Direction SD-11, Public Power Business Model.

Board Policy Committee and Special SMUD Board of Directors Meeting
Wednesday, November 30, 2022, scheduled to begin at 5:30 p.m.
Virtual Meeting (online)
Public power business model

Core value
SD-11 guides legislative and regulatory advocacy

In compliance with SD-11
Public power business model
SD-11

Supporting and strengthening the public power business model is a core value. Local decision making and flexibility are essential to effective and responsible local governance.

Community-owned utilities are primarily accountable to their customers, not stockholders. Community citizens have a direct voice in public power decisions.

Preservation of this business model is vital to ensure public power systems continue to provide innovative solutions tailored to best meet the needs of their customers and communities.
Public power business model
State legislative issues

Allocation for $10 million in state funding for unpaid SMUD bills.

SB 1020
Clean Energy, Job and Affordability Act

Advocacy on legislation that impacts the public power business model
- AB 2070 – Hot Work and Deenergization Notice Requirements
- SB 1391 – Market-based Compliance Mechanism
- SB 1109 – Biomass Procurement Mandate
Neighborhood Electrification

$7M earmark, including SMUD matching funds, to fully electrify entire neighborhood (Meadowview)

Inflation Reduction Act & Bipartisan Infrastructure Law

SMUD can access direct pay incentives for projects if qualifications are met
Public power business model
Regulatory Issues

Advanced Clean Fleets

Load Management Standards
Public power business model
Regulatory Issues

Regional Markets