

Exhibit to Agenda Item #2

Approve Contract Change No. 1 to Contract No. 4600001773 with **Kortick Manufacturing, LLC** for supply of network transformers to extend the contract expiration date from November 14, 2024, to February 28, 2026, and increase the contract not to exceed amount by \$10 million, from \$11 million to \$21 million.

Board Finance & Audit Committee and Special SMUD Board of Directors Meeting
Tuesday, June 18, 2024, scheduled to begin at 6:00 p.m.

SMUD Headquarters Building, Auditorium

Overview of Network Transformers

Five-year project to replace 50 Network Transformers and 50 Network Protectors a year to make a significant investment into our Downtown Network

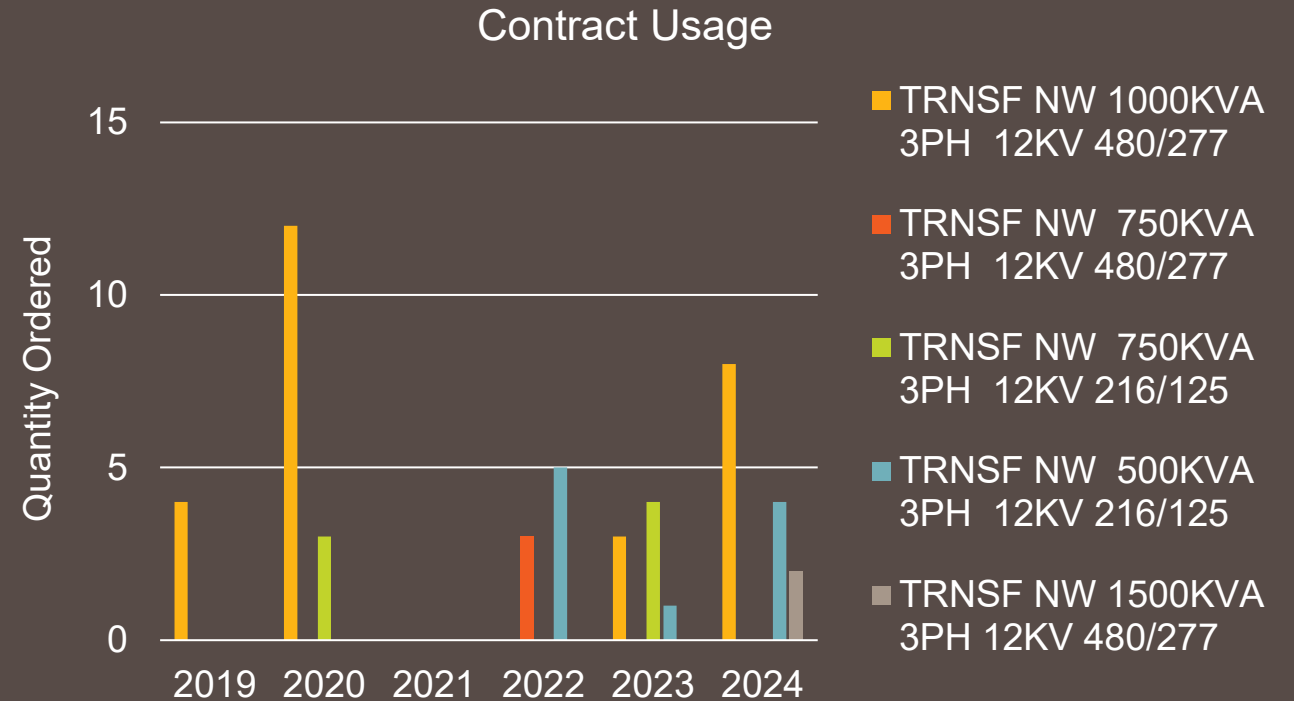
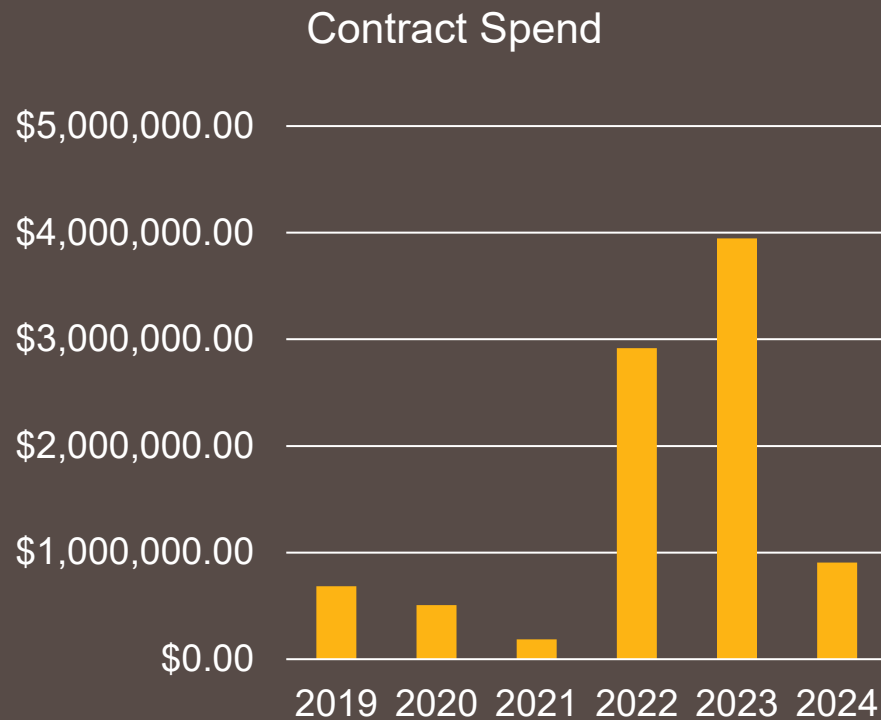
These transformers are replacing pre-1990 transformers to continue our high reliability



9000V Vault that supports the Library Courts Building across from the Capitol

Kortick Manufacturing

- Contract awarded in 2019 to deliver network transformers manufactured by Pioneer Transformers



Immediate Need

- 35 additional network transformers need to be purchased.
- Pioneer Transformers is holding 35 production slots for SMUD
- Market lead time is 56 weeks

