

Exhibit to Agenda Item #4

Provide the Board with SMUD's financial results from the six-month period ended June 30, 2023, and a summary of SMUD's current Power Supply Costs.

Board Finance & Audit Committee and Special SMUD Board of Directors Meeting
Tuesday, August 15, 2023, scheduled to begin at 6:00 p.m.

SMUD Headquarters Building, Auditorium

June 2023 Financial Highlights

<p>\$10 Million</p> <p>“Net income” Net position YTD <i>Favorable compared to budget</i></p>	<p>\$704 Million</p> <p>Customer Revenue</p> <p>\$20M or 2.7% lower customer revenues than budgeted (unfavorable)</p> <ul style="list-style-type: none"> • Customer revenues are below target due to lower usage from our residential and commercial customers offset by lower bad debt expense.
	<p>\$234 Million</p> <p>Commodity</p> <p>\$48M or 17.2% lower commodity expenditures than budgeted (favorable)</p> <ul style="list-style-type: none"> • Purchased power lower due to load is lower than planned and increased hydro generation due to higher precipitation.
	<p>\$461 Million</p> <p>Other Operating Expenses</p> <p>\$5M or 1.0% higher expenditures than budgeted (unfavorable)</p> <ul style="list-style-type: none"> • Customer service and information expenses \$5M lower due to supply chain issues causing equipment delivery and installation delays leading to delay in participation in customer programs. • Public Good expenses \$8M lower due to project delays in energy efficiency and research & development programs. • Transmission & Distribution expenses \$17M higher due to costs related to the storm response.
	<p>\$53 Million</p> <p>Other Operating & Non-Operating Revenues</p> <p>\$5M or 10.1% higher than budgeted (favorable)</p> <ul style="list-style-type: none"> • Other Non-operating revenues higher due to gain on sale of Solano land and interest income. • Other Operating revenues lower due to \$65M transferred for the hydro rate stabilization fund.

* There are \$52M other net expenses not included in the highlights above – primarily interest expense

June 2023 Energy Sources



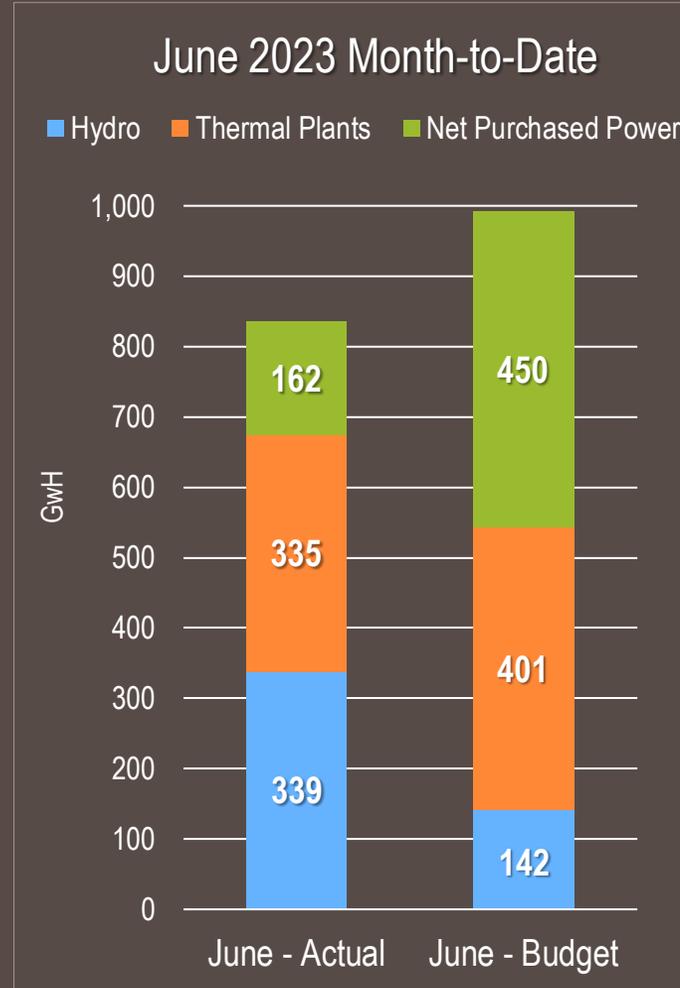
Hydro generation was 139% higher than budget in June and 67% higher than budget year-to-date due to the higher precipitation.



Thermal plants generation 17% lower than budget for June, and 2% lower than budget year-to-date due to higher hydro generation and milder weather.

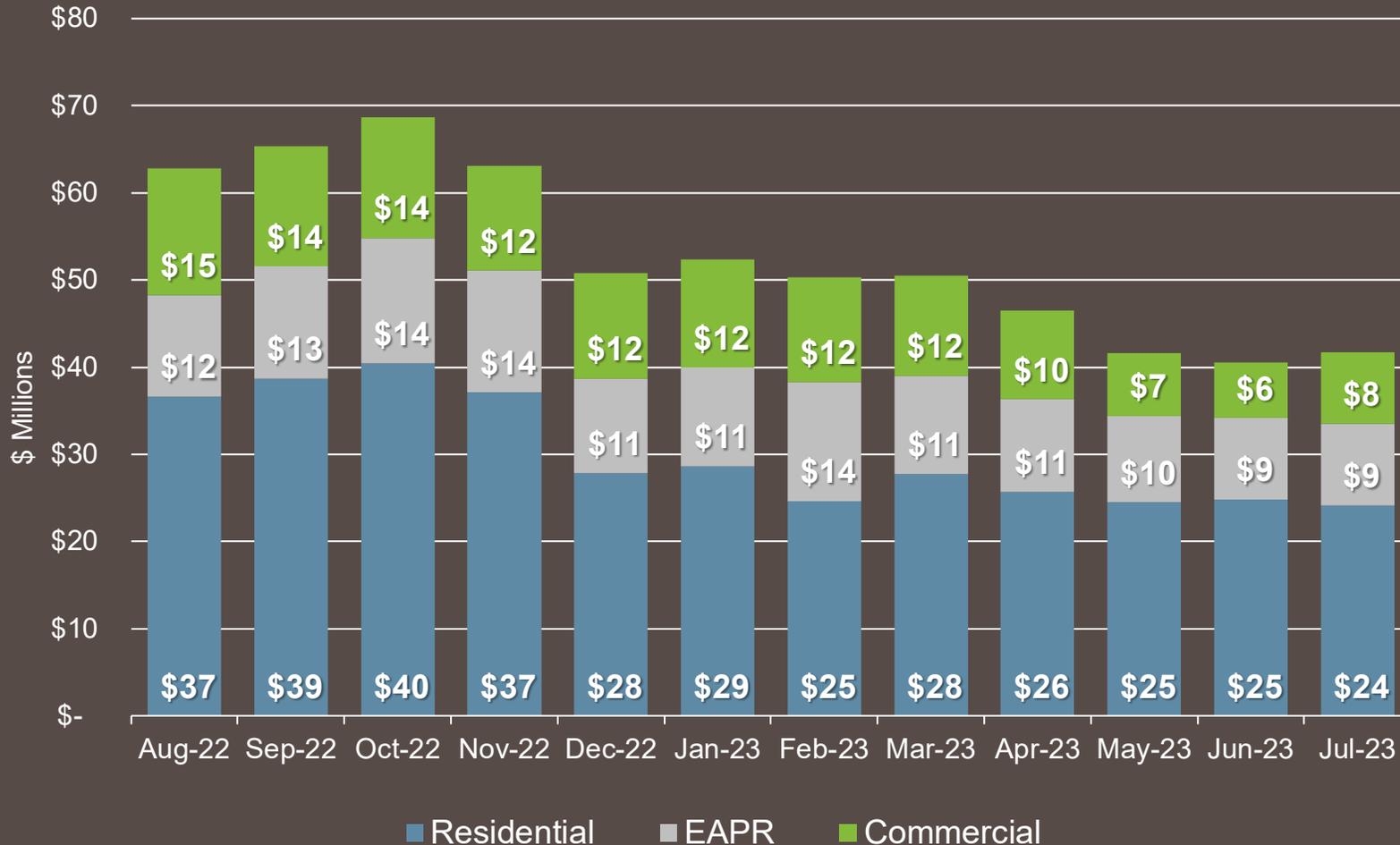


Net purchased power was 64% lower than budget for June, and 42% lower year-to-date due to higher hydro generation and lower load due to milder weather.



Delinquency by Account Type

As of July 31, 2023



Delinquency Summary as of 7/31/2023		
	Delinquency (millions)	Number of Customers
Residential	\$24.2	110,178
Energy Assistance Program Rate (EAPR)	\$ 9.4	31,353
Commercial	\$ 8.2	7,889
All other (St. Lighting, Night Light, Agriculture)	\$ 0.3	1,373
Totals	\$42.1	150,793

Commodity Budget: Mitigations & Forecast



SMUD has in place financial mitigation tools that hedge against hydroelectric uncertainty

\$31.0 Million	HRSF balance
\$65.4 Million	HRSF deposit for Water Year April 2022 to March 2023
\$96.4 Million	HRSF remaining balance after deposit
\$3.5 Million	WAPA RSF balance
-\$1.8 Million	WAPA RSF forecasted withdrawal for 2023
\$1.7 Million	WAPA RSF forecasted remaining balance as of Dec. 31, 2023

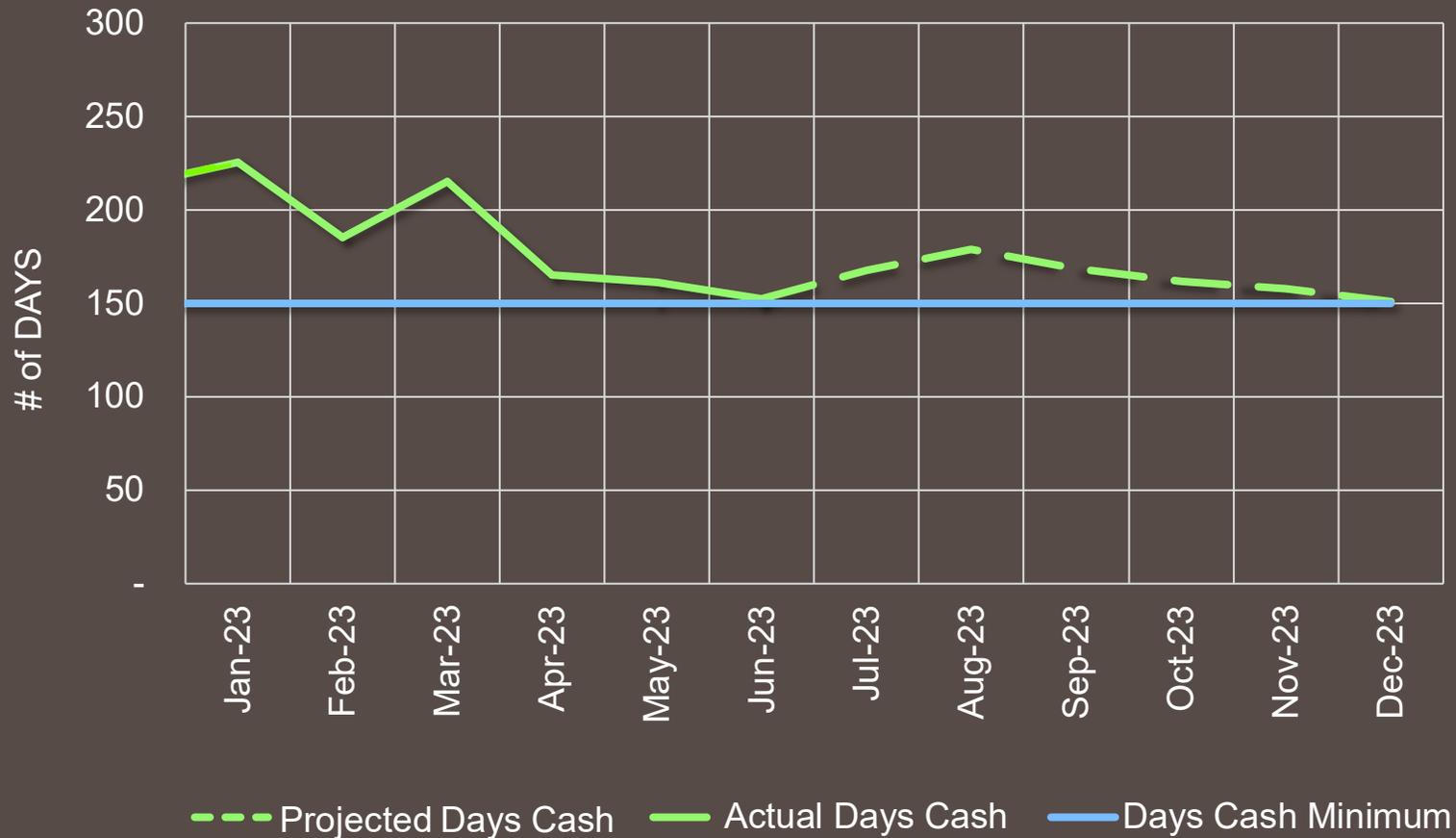
2023 Commodity Annual Costs as of June 30, 2023	
Forecast	\$460 Million
2023 Budget	\$485 Million
Difference	-\$25 Million

Hydro Performance Annual Forecast as of June 30, 2023			
	UARP	WAPA	UARP + WAPA
Forecast	2,560 GWh	508 GWh	3,068 GWh
2023 Budget	1,635 GWh	511 GWh	2,146 GWh
Variance	925 GWh	-3 GWh	922 GWh

HRSF: Hydro Rate Stabilization Fund **WAPA:** Western Area Power Administration **UARP:** Upper American River Project **RSF:** Rate Stabilization Fund

Days Cash on Hand

As of June 30, 2023



Days Cash on Hand As of June 30, 2023		
June 30, 2023	Budget	212 days
June 30, 2023	Actual	153 days
Dec. 31, 2023	Budget	166 days
Dec. 31, 2023	Projected	151 days