

# Exhibit to Agenda Item #2

SMUD's Financial Results for the year 2023.

Board Finance & Audit Committee and Special SMUD Board of Directors Meeting  
Tuesday, March 19, 2024, scheduled to begin at 5:30 p.m.

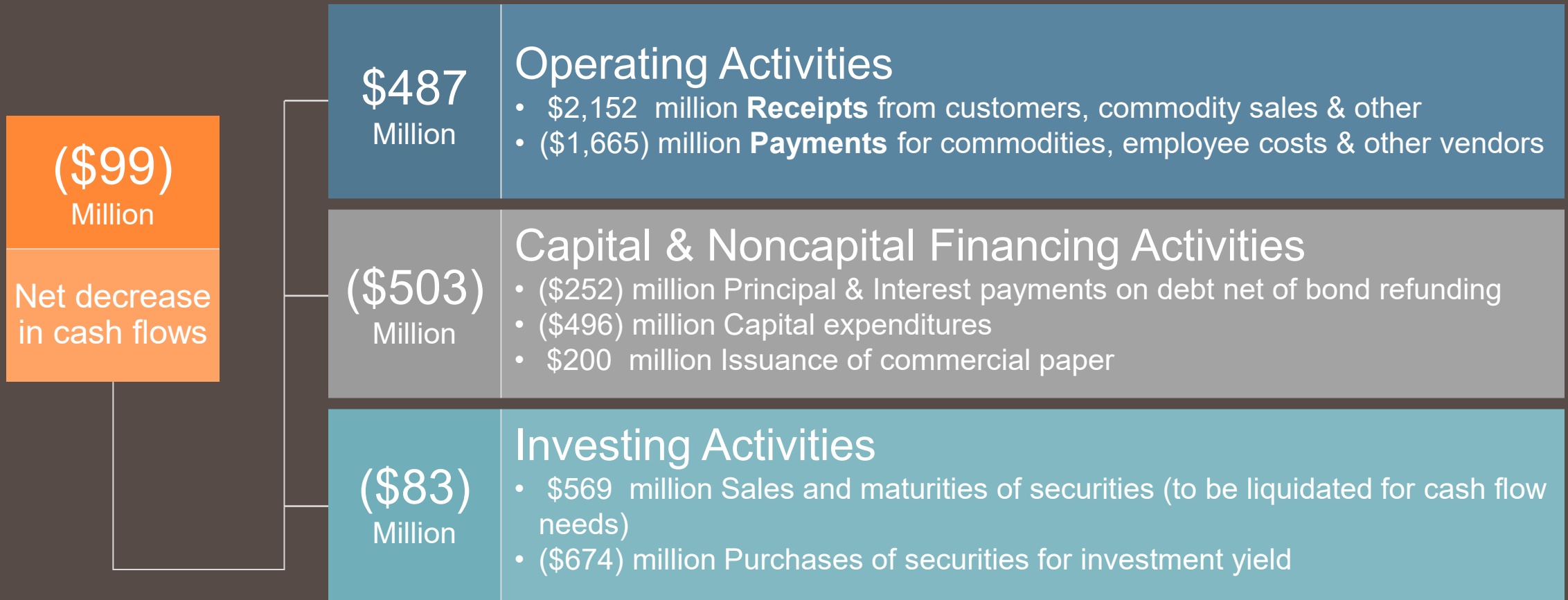
Auditorium, SMUD Headquarters Building

# December 2023 Financial Highlights

<p><b>\$220</b> Million</p> <p><b>“Net Income”</b> Net position YTD</p> <ul style="list-style-type: none"> <li>• Favorable compared to budget</li> <li>• To be invested in capital expenditures</li> </ul>	<p><b>\$1,603</b> Million</p> <p><b>Customer Revenue</b></p> <p>\$21M or 1.3% lower customer revenues than budgeted (unfavorable)</p> <ul style="list-style-type: none"> <li>• Customer revenue is below target by \$32M primarily due to lower usage from the loss of a large commercial customer offset by \$11M lower bad debt expense</li> </ul>
	<p><b>\$551</b> Million</p> <p><b>Commodity</b></p> <p>\$15M or 2.7% lower commodity expenditures than budgeted (favorable)</p> <ul style="list-style-type: none"> <li>• Purchased power was reduced due to increased hydro generation from higher precipitation for the year, lower market prices and overall lower load than plan</li> </ul>
	<p><b>\$894</b> Million</p> <p><b>Other Operating Expenses</b></p> <p>\$28M or 3.0% lower expenditures than budgeted (favorable)</p> <ul style="list-style-type: none"> <li>• Customer service and information expenses \$11M lower due delays in load management programs and transportation electrification projects, leading to delay in participation in customer programs</li> <li>• Public good expenses \$13M lower due to project delays in energy efficiency, community impact strategy programs, and research &amp; development programs</li> <li>• Transmission and distribution expenses \$9M higher due to costs related to the storm response</li> </ul>
	<p><b>\$37</b> Million</p> <p><b>Net Other Non-Operating Revenues (Expenses)</b></p> <p>\$103M or 157.2% higher other operating &amp; non-operating revenues than budgeted (favorable)</p> <ul style="list-style-type: none"> <li>• Other non-operating revenue higher due to gain on sale of Solano land, insurance recovery payment on Cosumnes power plant repairs, settlement payment and interest income.</li> </ul>

\$99 million other net expenses and revenues not included in the highlights above primarily due to interest expense

# December 2023 Cash Flow Highlights



# Other 2023 Financial Highlights



- **\$14 million** received from Consumnes Power Plant insurance claim
- **\$15 million** settlement related to U.S. Bureau of Reclamation Central Valley Project Improvement Act
- **\$45 million** received / net **\$33 million gain** from Solano land sale



- **\$212 million** Rate Stabilization Fund 2023 ending balance
- **\$65 million** Hydro Rate Stabilization deposit and **\$1 million** WAPA deposit



- Approximately **\$259 million** net pension liability
- Approximately **\$25 million** net Other Post-Employment Benefits (OPEB) liability



- **\$493 million** refunding debt was issued, generating \$99 million in cash flow savings through 2041