

Exhibit to Agenda Item #4

Authorize the Chief Executive Officer and General Manager to award a sole source contract to **Itron Networked Solutions, Inc.** to purchase hardware, software, and professional services to enhance the **Advanced Metering Infrastructure (AMI)** platform for a one-year term in the amount of \$15 million, plus applicable taxes and fees.

Board Finance & Audit Committee and Special SMUD Board of Directors Meeting
Wednesday, December 13, 2023, scheduled to begin at 6:00 p.m.

SMUD Headquarters Building, Auditorium

Background

Itron has been a SMUD strategic partner for over 25 years.



The Advanced Metering Infrastructure (AMI) platform is the backbone of SMUD's meter to cash process, with Itron providing maintenance, support, and professional services associated with the AMI platform.

SMUD's AMI platform is comprised of communication infrastructure equipment (smart meters), a communication network and back-office systems.

Connected Clean PowerCity

Grid Resilience and Innovation Partnership (GRIP) Grant:

- SMUD was recently awarded a \$50 million grant from the Department of Energy (DOE) Grid Deployment Office's Grid Resilience and Innovation Partnerships (GRIP) program and Itron was identified as a named partner, for new technologies to increase reliability, efficiency and flexibility of the electric grid.
- As part of the grant, SMUD proposed to deploy 200,000 Itron Riva edge computing sensors with measurement capabilities (smart meters) and eight Distributed Intelligence (DI) applications to enable Grid Edge Intelligence with deployment beginning in September of 2024 and continuing through the end of 2025.
- Due to 12-month lead time initial orders need to be placed by end of year.

Procurement strategy

To deliver on 200,000-meter deployment schedule the following three-step procurement strategy is being recommended:

Step #1: Maximize existing Itron contract

Purchase ~6,000 meters to deliver in August 2024 to support installations planned for September 2024



Step #2: New Itron Bridge Contract

Sole source contract to order ~70,000 meters needed for GRIP grant through January 2025



Step #3: New master agreement with Itron

New contract for remaining hardware, software and services needed for project

The sole source contract action request for a total of \$15 million to ensure the grant project will commence

The larger contract is estimated to be roughly \$140 million and will be presented to the Board early 2024