



375 Beale Street
Suite 700
San Francisco, California

Meeting Agenda - Final

ABAG POWER Executive Committee

Chair, Dave Brees, City of Los Altos
Vice Chair, Angela Walton, City of Richmond

Thursday, June 17, 2021

11:00 AM

Yerba Buena-1st Floor (REMOTE)

**ABAG Publicly Owned Energy Resources
Executive Committee
Meeting No. 2021-03**

Chair, Dave Brees, City of Los Altos
Vice Chair, Angela Walton, City of Richmond

Roster

Dave Brees, City of Los Altos
Andre Duurvoort, City of Cupertino
Diana Oyler, County of Contra Costa
Chris Schroeder, City of Milpitas
Angela Walton, City of Richmond
Doug Williams, City of Santa Rosa

The ABAG POWER Executive Committee will be meeting on June 17, 2021 at 11:00 a.m., in the Bay Area Metro Center (remotely). In light of Governor Newsom's State of Emergency declaration regarding the COVID-19 outbreak and in accordance with the Executive Order N-29-20 issued by Governor Newsom on March 17, 2020 and the Guidance for Gatherings issued by the California Department of Public Health, the meeting will be conducted via Zoom web conferencing and teleconference for committee members who will participate in the meeting from individual remote locations.

A Zoom panelist link for meeting participants will be sent separately to committee members.

The agenda will be available publicly at: <https://abag.ca.gov/meetings>

Attendee Link: <https://bayareametro.zoom.us/j/84074359181>
Join by Telephone: 888-788-0099 or 877-853-5247 (both toll free)
Access Number: 840 7435 9181

Members of the public may participate or may submit comments by email at info@bayareametro.gov by 5:00 p.m. the day before the scheduled meeting date. Please include the committee or board meeting name and agenda item number in the subject line. Due to the current circumstances there may be limited opportunity to address comments during the meeting. All comments received will be submitted into the record.

1. Welcome and Introductions

Call to Order.

Presenter: Dave Brees

Roll Call / Confirm Quorum.

Presenter: Cindy Chen

2. Public Comment

The public is encouraged to comment on agenda items at Committee meetings.

3. Consent Calendar

[21-0808](#) Approval of Minutes from April 15, 2021 Executive Committee meeting.

Action: Approval

Presenter: Ryan Jacoby

Attachments: [Agenda Item 3.a. - ABAG POWER EC Summary Minutes of 20200415](#)

4. Energy Programs Manager's Report

[21-0813](#) Staff will provide a verbal report of recent energy industry developments and programmatic updates regarding the Bay Area Regional Energy Network (BayREN).

Action: Information

Presenter: Jennifer Berg

5. Executive Committee and Program Membership Recruitment

[21-0809](#) Staff will review the current composition of the Executive Committee and program participants.

Action: Information

Presenter: Ryan Jacoby

Attachments: [Agenda Item 5.a. - Executive Committee Recruitment](#)
[Agenda Item 5.b. - Program Membership Recruitment](#)

6. Strategic Program Design Initiatives

[21-0810](#) Staff will provide an update of current outreach events and request authorization to amend a professional services contract with GPT, Inc. in an amount not to exceed \$106,800 to provide program design and operations services through December 31, 2022.

Action: Approval

Presenter: Ryan Jacoby

Attachments: [Agenda Item 6.a. - Strategic Energy Program Design Contract Update - GPT](#)
[Agenda Item 6.b. - Summary Approval - GPT Inc](#)
[Agenda Item 6.c. - Program Design Roundtable 1 Survey Responses](#)

7. Report on Natural Gas Program

[21-0811](#) Staff will review recent gas operations, including gas purchases; the program's long-term hedge position; gas imbalances; regulatory updates; and other miscellaneous program items.

Action: Information

Presenter: Ryan Jacoby

Attachments: [Agenda Item 7.a.1. - Summary of Natural Gas Program](#)
[Agenda Item 7.a.2. - Summary of Natural Gas Program](#)
[Agenda Item 7.b. - Historical and Anticipated Gas Supply](#)
[Agenda Item 7.c. - Market Price Comparison](#)
[Agenda Item 7.d. - Budget-to-Actual](#)
[Agenda Item 7.e. - Regulatory Proceedings](#)

8. Fiscal Year 2020-21 Operating Budget Amendment

[21-0882](#) Staff will present for approval an amendment increasing the ABAG POWER Fiscal Year 2020-21 Operating Budget by \$500,000, to a total amount not to exceed \$8,102,440.

Action: Approval

Presenter: Ray Woo; Ryan Jacoby

Attachments: [Agenda Item 8.a. - FY 2020-21 Operating Budget Amendment](#)
[Agenda Item 8.b. - Summary Approval - FY 2020-21 Operating Budget Amendn](#)

9. Fiscal Year 2021-22 Operating Budget

[21-0812](#) Staff will present for approval the ABAG POWER Fiscal Year 2021-22 Operating Budget in an amount not to exceed \$8,469,400.

Action: Approval

Presenter: Ray Woo; Ryan Jacoby

Attachments: [Agenda Item 9.a. - FY 2021-22 Operating Budget_061721](#)
[Agenda Item 9.b. - FY 2021-22 Operating Budget_061721](#)
[Agenda Item 9.c. - Summary Approval - FY 2021-22 Operating Budget_061720](#)

10. Other Business

Committee to provide update on items within various member agencies relevant to ABAG POWER or the ABAG/MTC energy programs.

11. Adjournment / Next Meeting

The next meeting is the ABAG POWER Executive Committee meeting scheduled to be held on August 19, 2021.

Public Comment: The public is encouraged to comment on agenda items at Committee meetings by completing a request-to-speak card (available from staff) and passing it to the Committee secretary. Public comment may be limited by any of the procedures set forth in Section 3.09 of MTC's Procedures Manual (Resolution No. 1058, Revised) if, in the chair's judgment, it is necessary to maintain the orderly flow of business.

Meeting Conduct: If this meeting is willfully interrupted or disrupted by one or more persons rendering orderly conduct of the meeting unfeasible, the Chair may order the removal of individuals who are willfully disrupting the meeting. Such individuals may be arrested. If order cannot be restored by such removal, the members of the Committee may direct that the meeting room be cleared (except for representatives of the press or other news media not participating in the disturbance), and the session may continue.

Record of Meeting: Committee meetings are recorded. Copies of recordings are available at a nominal charge, or recordings may be listened to at MTC offices by appointment. Audiocasts are maintained on MTC's Web site (mtc.ca.gov) for public review for at least one year.

Accessibility and Title VI: MTC provides services/accommodations upon request to persons with disabilities and individuals who are limited-English proficient who wish to address Commission matters. For accommodations or translations assistance, please call 415.778.6757 or 415.778.6769 for TDD/TTY. We require three working days' notice to accommodate your request.

可及性和法令第六章: MTC 根據要求向希望來委員會討論有關事宜的殘疾人士及英語有限者提供服務/方便。需要便利設施或翻譯協助者, 請致電 415.778.6757 或 415.778.6769 TDD / TTY。我們要求您在三個工作日前告知, 以滿足您的要求。

Acceso y el Titulo VI: La MTC puede proveer asistencia/facilitar la comunicación a las personas discapacitadas y los individuos con conocimiento limitado del inglés quienes quieran dirigirse a la Comisión. Para solicitar asistencia, por favor llame al número 415.778.6757 o al 415.778.6769 para TDD/TTY. Requerimos que solicite asistencia con tres días hábiles de anticipación para poderle proveer asistencia.

Attachments are sent to Committee members, key staff and others as appropriate. Copies will be available at the meeting.

All items on the agenda are subject to action and/or change by the Committee. Actions recommended by staff are subject to change by the Committee.



Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #: 21-0808 **Version:** 1 **Name:**
Type: Action Item **Status:** Committee Approval
File created: 5/12/2021 **In control:** ABAG POWER Executive Committee
On agenda: 6/17/2021 **Final action:**
Title: Approval of Minutes from April 15,2021 Executive Committee meeting.
Sponsors:
Indexes:
Code sections:
Attachments: [Agenda Item 3.a. - ABAG POWER EC Summary Minutes of 20200415](#)

Date	Ver.	Action By	Action	Result
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Subject:
Approval of Minutes from April 15,2021 Executive Committee meeting.

Presenter:
Ryan Jacoby
Recommended Action:
Approval

Attachments: List any attachments.



Metropolitan Transportation Commission Meeting Minutes 3 - Draft

375 Beale Street
Suite 700
San Francisco, California

ABAG POWER Executive Committee

Chair, Dave Brees, City of Los Altos
Vice Chair, Angela Walton, City of Richmond

Thursday, April 15, 2021

11:00 AM

Yerba Buena- 1st Floor (REMOTE)

ABAG Publicly Owned Energy Resources Executive Committee Meeting No. 2021-02

Agenda and roster available at <https://abag.ca.gov/our-work/energy-infrastructure/power>.
For information, contact Clerk of the Committee at (415) 820-7956.

Committee Representative Roster
Dave Brees, City of Los Altos (Chair)
Andre Duurvoort, City of Cupertino
Diana Oyler, County of Contra Costa
Chris Schroeder, City of Milpitas
Angela Walton, City of Richmond (Vice Chair)
Doug Williams, City of Santa Rosa

Staff Roster
Brad Paul
Arleicka Conley
Raymond Woo
Matthew Lavrinets
Jennifer Berg
Ryan Jacoby
Cindy Chen (Clerk)

1. Welcome and Introductions

Dave Brees called the meeting to order at 11:03 a.m. and quorum was present.

Present: 6 - Chair Brees, Committee Member Duurvoort, Committee Member Oyler,
Committee Member Schroeder, Vice Chair Walton, and Committee Member
Williams

2. Public Comment

The Chair invited any member of the public in attendance to provide public comment on items not on the agenda. None was provided.

3. Consent Calendar

[21-0490](#) Approval of Minutes from February 18, 2021 Executive Committee meeting.

Attachments: [Agenda Item 3.a. - ABAG POWER EC Summary Minutes of 20200218 draft0224.pdf](#)

Motion was made by Committee Member Schroeder and seconded by Vice Chair Walton to approve the Consent Calendar, consisting of the Meeting Minutes of February 18, 2020. The motion passed by the following vote:

Aye: 5 - Chair Brees, Committee Member Duurvoort, Committee Member Schroeder, Vice Chair Walton, and Committee Member Williams

Abstain: 1 - Committee Member Oyler

4. Energy Programs Manager's Report

Jenny Berg presented the verbal report.

[21-0491](#) Staff will provide a verbal report of lessons learned from the recent Texas weather and energy crisis, and programmatic impacts related to California's focus on grid decarbonization.

5. Local Impacts of Senate Bill (SB) 1383: Short-Lived Climate Pollutants

Committee member Duurvoort summarized the impacts of Senate Bill 1383 upon public agencies and introduced Michelle Dewey & Brianna Lara from CalRecycle to provide the presentation of SB 1383 procurement requirements.

[21-0493](#) Committee member Duurvoort will lead a discussion summarizing SB 1383 (Lara, Chapter 395, Statutes of 2016) and jurisdictional requirements and opportunities created by the bill's emissions reductions targets.

Attachments: [Agenda Item 5.a. - Overview of SB1383s Organic Waste Management Requirements.pdf](#)
[Agenda Item 5.b.- Correspondence from Alexandra Shaw.pdf](#)

6. Strategic Program Design Initiatives

Marc Estrada introduced GPT, Inc. and the project team to the Committee, who presented a summary of three Strategic Program Design task orders and their associated time frames and deliverables.

[21-0492](#) Staff and GPT, Inc. will provide an update on the current objectives, schedule, and engagement opportunities associated with the strategic program design initiatives.

Attachments: [Agenda Item 6.a. - Strategic Program Design Initiatives.pdf](#)
[Agenda Item 6.b. - Strategic Program Design Initiatives Presentation.pdf](#)

7. Executive Committee and Program Membership Recruitment

Ryan Jacoby informed the Committee of the withdrawal of the Housing Authority of the City of Alameda, effective July 1, 2024.

[21-0494](#) Staff will review the current composition of the Executive Committee and program participants.

Attachments: [Agenda Item 7.a. - Executive Committee Recruitment.pdf](#)
[Agenda Item 7.b. - Program Membership.pdf](#)

8. Report on Natural Gas Program

Ryan Jacoby presented recent updates for gas operation, including gas purchases, gas imbalances, market price comparisons, and regulatory proceedings.

[21-0495](#) Staff will review recent gas operations, including gas purchases; the program's long-term hedge position; gas imbalances; regulatory updates; and other miscellaneous program items.

Attachments: [Agenda Item 8.a.1. - Summary of Natural Gas Program.pdf](#)
[Agenda Item 8.a.2. - Summary of Natural Gas Program.pdf](#)
[Agenda Item 8.b. - Historical and Anticipated Gas Supply.pdf](#)
[Agenda Item 8.c. - Market Price Comparison.pdf](#)
[Agenda Item 8.d. - Budget-to-Actual.pdf](#)
[Agenda Item 8.e. - Regulatory Proceedings.pdf](#)

9. Preliminary Fiscal Year 2021-22 Operating Budget

Raymond Woo and Ryan Jacoby presented the Preliminary Fiscal Year 2021-2022 Operating Budget, and summarized energy market drivers for changes to gas commodity, transportation, and storage pricing.

[21-0496](#) Staff will present a preliminary fiscal year 2021-22 operating budget.

Attachments: [Agenda Item 9.a. - FY 2020-21 Preliminary Operating Budget 041521.pdf](#)

10. Other Business

Meeting participants were invited to provide a verbal report on other related business. There were no reports provided.

11. Adjournment / Next Meeting

Dave Brees adjourned the meeting at 12:55 p.m.

The next meeting is the ABAG POWER Executive Committee meeting scheduled to be held on June 17, 2021.



Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #:	21-0813	Version:	1	Name:	
Type:	Report	Status:		Informational	
File created:	5/12/2021	In control:		ABAG POWER Executive Committee	
On agenda:	6/17/2021	Final action:			
Title:	Staff will provide a verbal report of recent energy industry developments and programmatic updates regarding the Bay Area Regional Energy Network (BayREN).				
Sponsors:					
Indexes:					
Code sections:					
Attachments:					

Date	Ver.	Action By	Action	Result
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Subject:

Staff will provide a verbal report of recent energy industry developments and programmatic updates regarding the Bay Area Regional Energy Network (BayREN).

Presenter:

Jennifer Berg

Recommended Action:

Information

Attachments: List any attachments.



Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #: 21-0809 **Version:** 1 **Name:**

Type: Report **Status:** Informational

File created: 5/12/2021 **In control:** ABAG POWER Executive Committee

On agenda: 6/17/2021 **Final action:**

Title: Staff will review the current composition of the Executive Committee and program participants.

Sponsors:

Indexes:

Code sections:

Attachments: [Agenda Item 5.a. - Executive Committee Recruitment](#)
[Agenda Item 5.b. - Program Membership Recruitment](#)

Date	Ver.	Action By	Action	Result
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Subject:
Staff will review the current composition of the Executive Committee and program participants.

Presenter:
Ryan Jacoby

Recommended Action:
Information

Attachments: List any attachments.

ABAG Publicly Owned Energy Resources (ABAG POWER)

Executive Committee

June 17, 2021

Agenda Item 5.a.

Natural Gas Program

Subject: Executive Committee Recruitment

Background: The ABAG POWER Bylaws were most recently amended in 2016, and currently provide that the Executive Committee is comprised of the Chair, Vice Chair, and three to nine voting members.

In the event there is a vacancy on the Executive Committee, the Chair may appoint a new member to serve with all rights and duties until the new member is either ratified or disapproved at the next meeting of the Board of Directors.

There are currently six Committee members; the last appointment was in February 2019.


Discussion Items. At the Executive Committee's February 18, 2021 meeting, participants discussed recruitment. Given the particular significance of the upcoming program discussions, the benefits of additional perspectives, and the need to have a quorum, staff recommends Committee members provide an update on their recruitment efforts. Staff also recommends that the Committee discuss if there is an optimal number of members on the Committee.

The ABAG POWER Executive Committee is requested to provide a verbal report on communications with prospective directors.

Recommended Action: None.

Attachment(s): None.

Reviewed:

DocuSigned by:

6C3380BA165B4D1 6/9/2021
Brad Paul

ABAG Publicly Owned Energy Resources (ABAG POWER)**Executive Committee**

June 17, 2021**Agenda Item 5.b.**

Natural Gas Program

Subject: Program Membership Recruitment

Background: The ABAG POWER natural gas aggregation program (program) is currently comprised of 38 participants and is governed by the Joint Powers Agreement (JPA) and the Natural Gas Sales and Aggregation Agreement (NGSAA). The JPA defines what entities are eligible for membership:

- ABAG
- Members of ABAG, and
- Any other public entity so long as such entity is a cooperating member of ABAG at the time it joins ABAG POWER

Two members have recently given notice of intent to withdraw from the program. Increased membership in the program has been identified as a priority and is part of the reason for the retention of professional consultants to provide strategic direction.

Discussion Items: At its December 8, 2020 meeting, the Executive Committee authorized retaining GPT, Inc. to identify, prioritize, and implement programmatic modifications to provide greater value to the existing membership, and help identify target jurisdictions for member recruitment. Jurisdictions that are members of a Community Choice Aggregation (CCA) and/or jurisdictions with a municipal utility (muni) will be prioritized for recruitment since they are already customers of a non-investor-owned utility (IOU) energy provider.

In addition to GPT, the Executive Committee members have discussed their own outreach. The attached chart identifies current members of ABAG POWER, participants in a CCA, and jurisdictions with a muni, and is provided to assist with identifying priority jurisdictions for recruitment.

The ABAG POWER Executive Committee is requested to review the list of participating and non-participating jurisdictions, and to discuss opportunities to increase the number of participants.

Recommended Action: None.

ABAG Publicly Owned Energy Resources (ABAG POWER)

Executive Committee

June 17, 2021

Agenda Item 5.b.

Natural Gas Program

Attachment(s): Program Membership Chart

Reviewed:

DocuSigned by:
Brad Paul
069988BA165B4B1...

6/9/2021

Brad Paul

Nine-County San Francisco Bay Area



Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #: 21-0810 **Version:** 1 **Name:**

Type: Action Item **Status:** Committee Approval

File created: 5/12/2021 **In control:** ABAG POWER Executive Committee

On agenda: 6/17/2021 **Final action:**

Title: Staff will provide an update of current outreach events and request authorization to amend a professional services contract with GPT, Inc. in an amount not to exceed \$106,800 to provide program design and operations services through December 31, 2022.

Sponsors:

Indexes:

Code sections:

Attachments: [Agenda Item 6.a. - Strategic Energy Program Design Contract Update - GPT](#)
[Agenda Item 6.b. - Summary Approval - GPT Inc](#)
[Agenda Item 6.c. - Program Design Roundtable 1 Survey Responses](#)

Date	Ver.	Action By	Action	Result
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Subject:

Staff will provide an update of current outreach events and request authorization to amend a professional services contract with GPT, Inc. in an amount not to exceed \$106,800 to provide program design and operations services through December 31, 2022.

Presenter:

Ryan Jacoby

Recommended Action:

Approval

Attachments: List any attachments.

ABAG Publicly Owned Energy Resources (ABAG POWER)**Executive Committee**

June 17, 2021**Agenda Item 6.a.**

Natural Gas Program

Subject: Authorization to amend the professional services agreement with GPT, Inc. in an amount not to exceed \$106,800 to provide program design and operations services through December 31, 2022

Background: On September 3, 2020, staff released a Request for Qualifications for Strategic Energy Program Design for ABAG POWER (RFQ) as part of an initiative to diversify ABAG POWER's program offerings and/or fuel supplies. The RFQ sought to identify firms exhibiting exemplary experience designing, prioritizing, and implementing energy-related programs. The procurement included an estimated budget of \$100,000 to \$150,000 per fiscal year, with implementation costs dependent upon the proposed program design.

GPT, Inc. ("GPT") responded to the procurement and was deemed qualified by the evaluation panel to fulfill the services desired by the solicitation. On December 8, 2020, the ABAG POWER Executive Committee ("Executive Committee") authorized entering a professional services agreement in an amount not to exceed \$150,000 for services through December 31, 2022.

On April 15, 2021, the Executive Committee was informed of the termination of DMJ Gas Marketing Consultants LLC, effective April 7, 2021, and the subsequent transition of scheduling operations to GPT. Ensuring uninterrupted scheduling and balancing services is imperative to the program's operations. These services, however, currently represent \$89,000 (60%) of the contract total and were not anticipated at the time staff sought authority to enter into the contract. As a result, allocation of the majority of the contract amount to the critical – and not planned – scheduling services, will impede progress towards program design efforts if the contract budget is not increased.

The proposed amendment would allow for GPT to complete three ongoing initiatives:

- Task Order 1: Program Design Services, consisting of a three-phase stakeholder engagement and program design process resulting in the identification of potential programs,

ABAG Publicly Owned Energy Resources (ABAG POWER)**Executive Committee****June 17, 2021****Agenda Item 6.a.****Natural Gas Program**

a comparative tool and decision-making framework, and a program strategy roadmap.

- Task Order 2: Optimization of Business Processes, which seeks to identify risk and business process management through a thorough examination of existing policies and practices.
- Task Order 3: Natural Gas Scheduling and Operations Services, which provides ongoing daily and monthly management of natural gas supply, transport, and balancing.

The majority of initial outreach and stakeholder engagement (Phase I & II) will occur throughout June and July, and will focus on identifying existing needs of current and prospective members, potential opportunities for ABAG POWER to create offerings that align with those needs, and the role of vendors and suppliers. Parts of Task Order 2 will be incorporated in these discussions. Thereafter, these findings will be synthesized and presented to the Board in the form of a report (Phase III).

The amendment seeks to increase the GPT's budget as follows:

Funding Composition	Current (Phase I)	Proposed (Phase II & III)
Task Order 1	\$26,575	\$150,000
Task Order 2	\$25,025	
Task Order 3	\$89,000	\$106,800
Contract Total	\$140,600	\$256,800

Discussion Items:

None.

Recommended Action:

The ABAG POWER Executive Committee is requested to authorize the Executive Director of the Metropolitan Transportation Commission, or her designee, on behalf of ABAG POWER, to amend a professional services agreement with GPT, Inc. in an amount not to exceed \$106,800 to provide program design and operations services through December 31, 2022.

ABAG Publicly Owned Energy Resources (ABAG POWER)

Executive Committee

June 17, 2021

Agenda Item 6.a.

Natural Gas Program

Attachment:

Summary Approval – Strategic Energy Program Design Services
Program Design Roundtable 1 Survey Responses

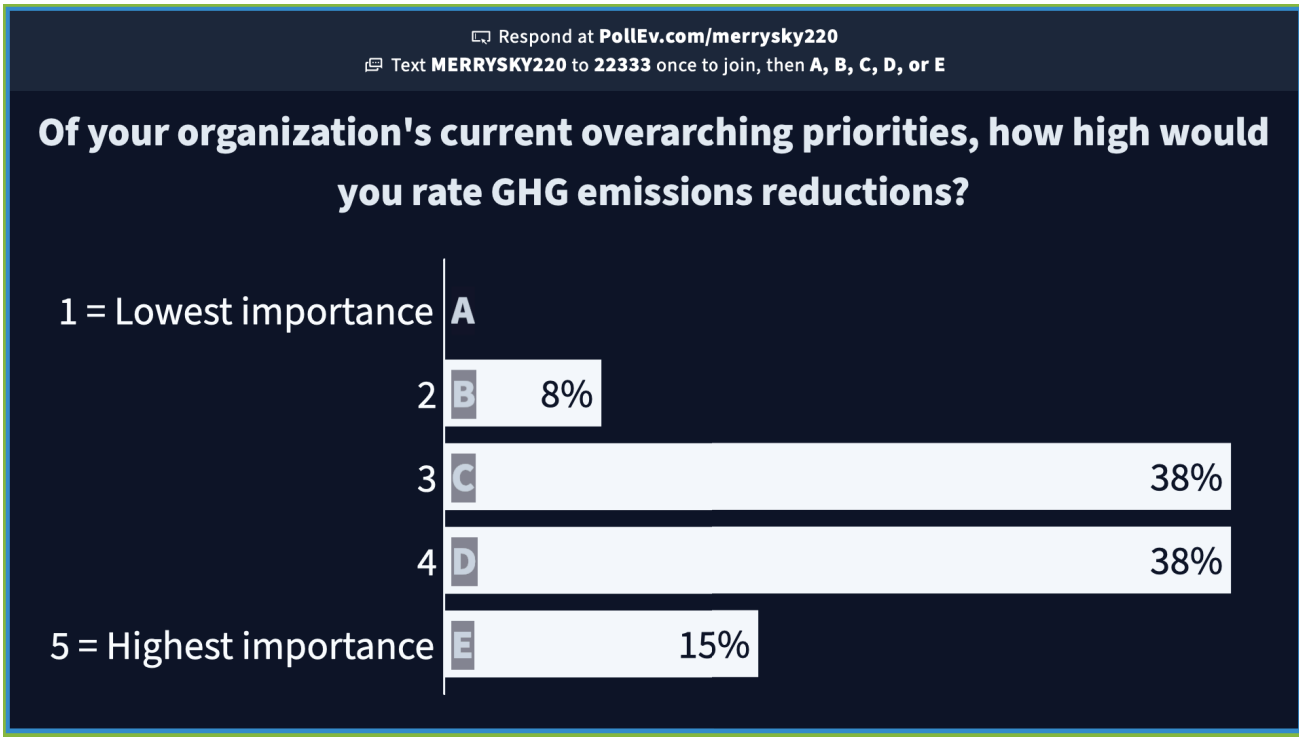
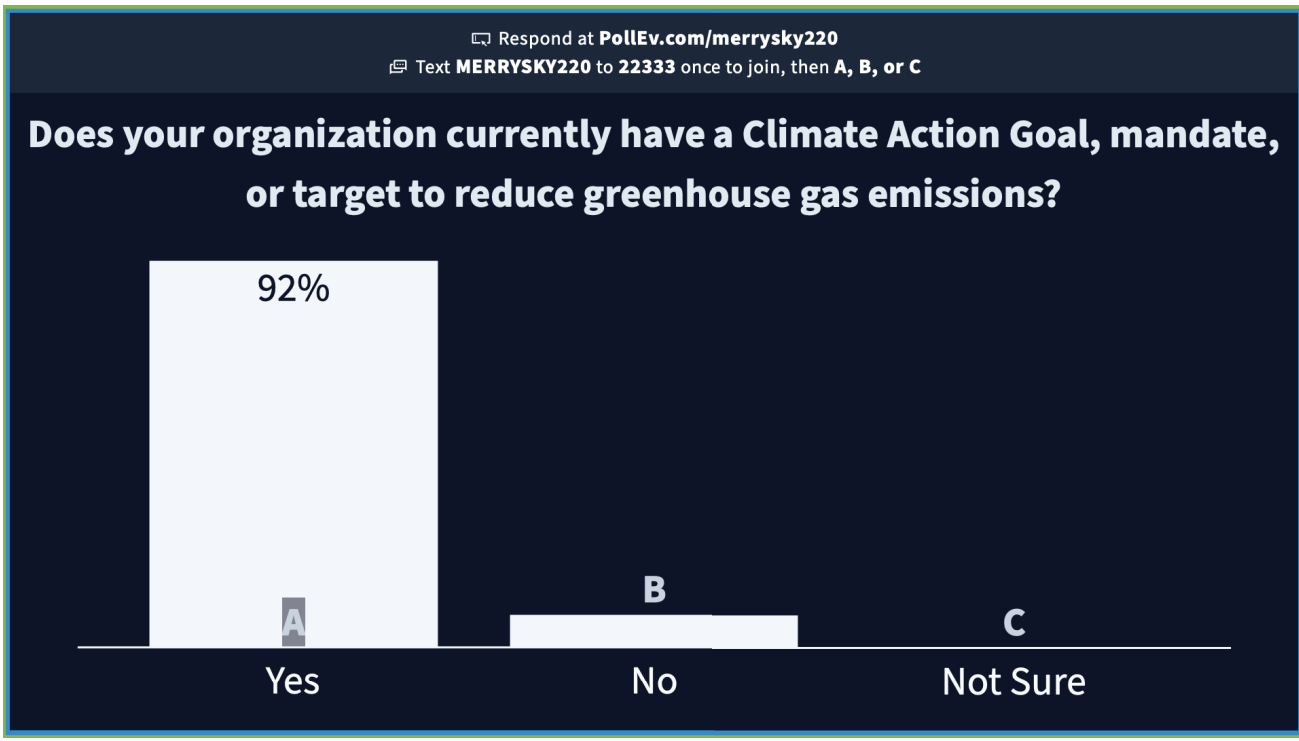
Reviewed:

DocuSigned by:
Brad Paul
6/9/2021
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Brad Paul



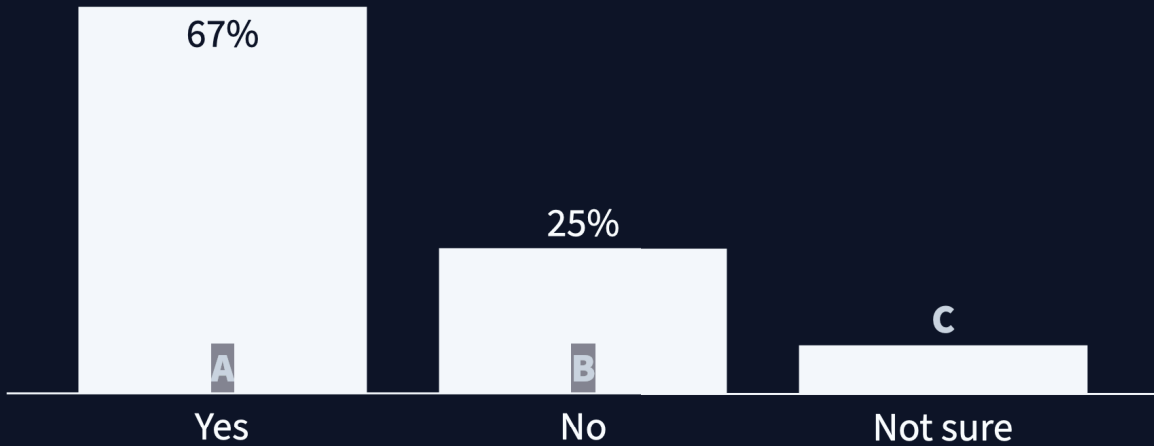
SUMMARY OF EXECUTIVE COMMITTEE APPROVAL

Work Item No.:	1707
Consultant:	GPT, Inc.
Work Project Title:	ABAG POWER
Purpose of Project:	Purchase/transport of natural gas
Brief Scope of Work:	Enable price stability and cost savings by conducting pooled purchasing of natural gas on behalf of local governments.
Project Cost Not to Exceed:	Current Amount: \$150,000 Proposed Amendment: \$106,800 Updated Not-to-Exceed: \$256,800
Funding Source:	Program Participant Fees
Fiscal Impact:	Fiscal Year 2021-22
Motion by Committee:	The ABAG POWER Executive Committee is requested to authorize the Executive Director of the Metropolitan Transportation Commission, or her designee, on behalf of ABAG POWER, to amend a professional services agreement with GPT, Inc. in an amount not to exceed \$106,800 for services through December 31, 2022
Executive Committee Approval:	Dave Brees Chair, Executive Committee
Approval Date:	June 17, 2021



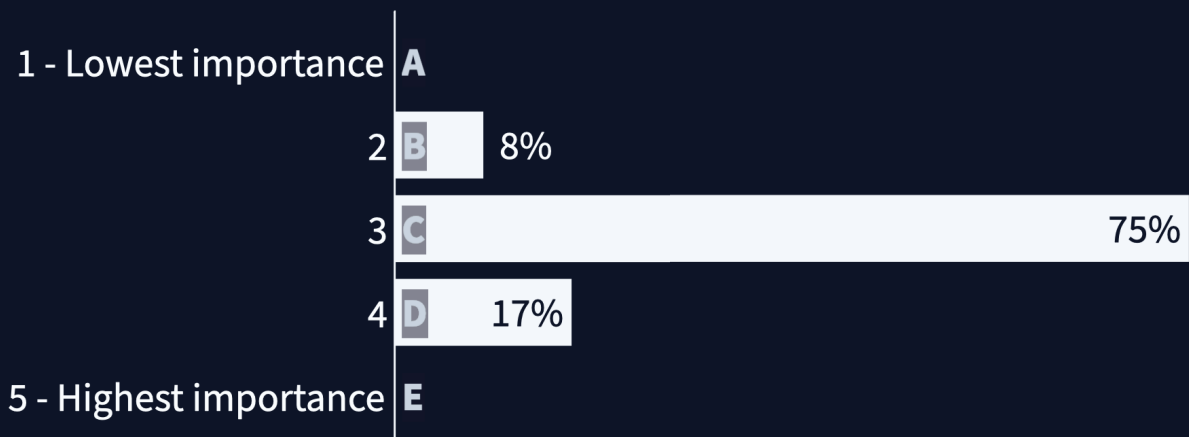
Respond at [PollEv.com/merrysky220](https://poll-ev.com/merrysky220)
Text **MERRYISKY220** to **22333** once to join, then **A, B, or C**

Does natural gas use represent a significant portion of your organization/community's annual GHG emissions?



Respond at [PollEv.com/merrysky220](https://poll-ev.com/merrysky220)
Text **MERRYISKY220** to **22333** once to join, then **A, B, C, D, or E**

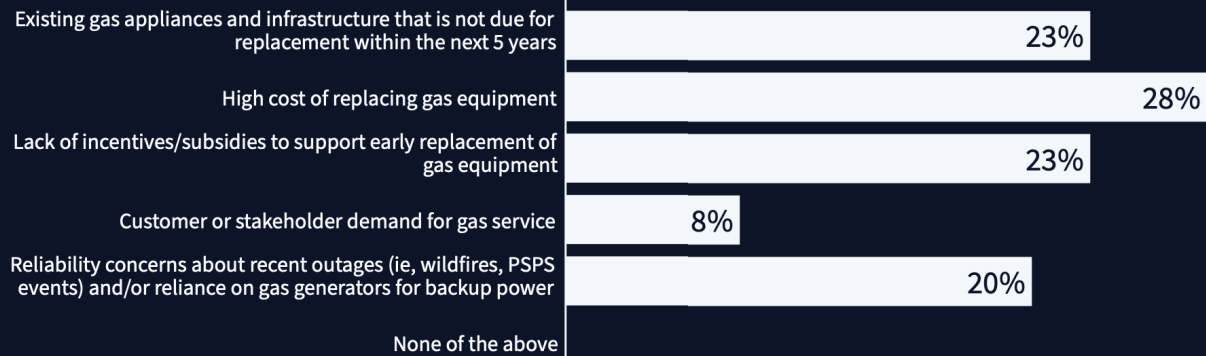
On a scale of 1-5, please rank the importance of electrification of your organization's existing natural gas equipment/appliances.



Respond at [PollEv.com/merrysky220](https://poll.ev.com/merrysky220)

Text **MERRYISKY220** to **22333** once to join, then **A, B, C, D, E...**

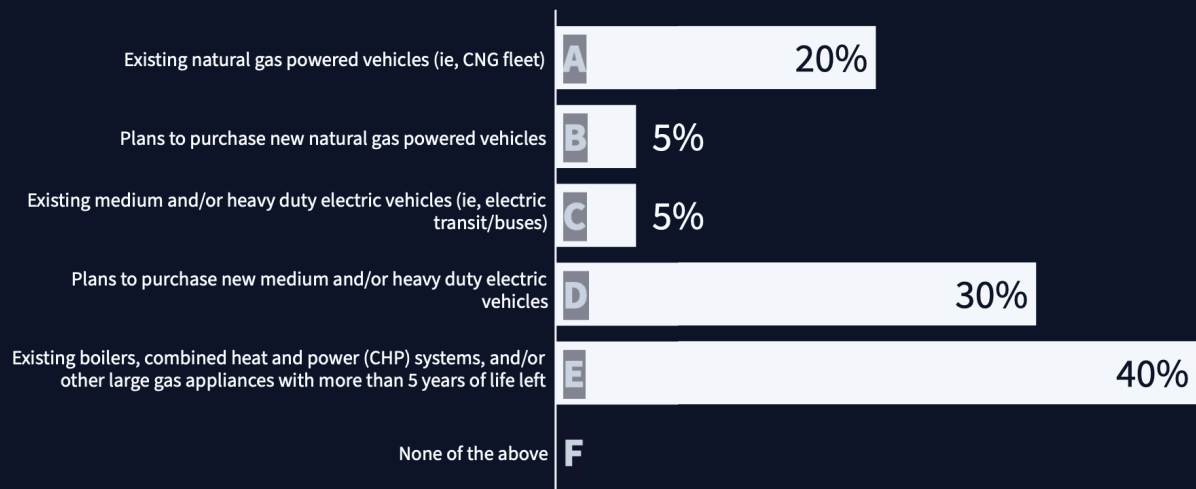
Which of the following present challenges or barriers to achieving your organization's electrification and/or climate protection goals? (Select up to 5)



Respond at [PollEv.com/merrysky220](https://poll.ev.com/merrysky220)

Text **MERRYISKY220** to **22333** once to join, then **A, B, C, D, E...**

Does your organization have any of the following? (Select up to 5)



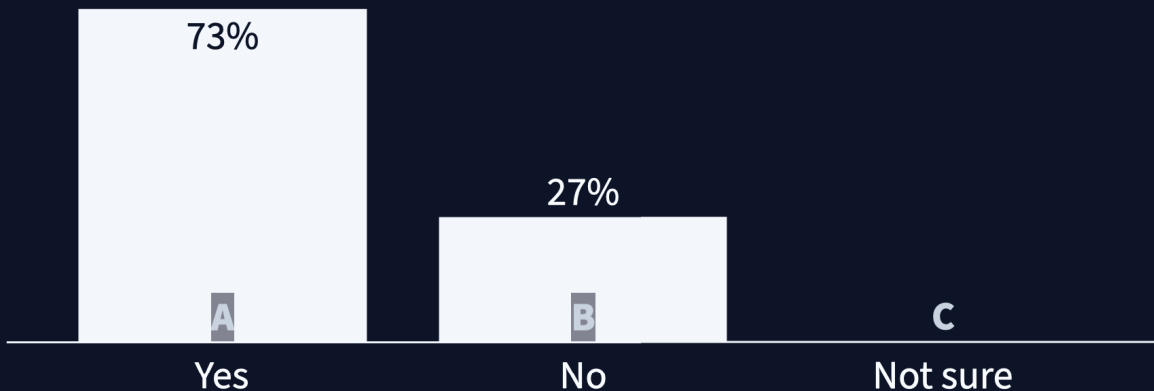
Respond at [PollEv.com/merrysky220](https://poll-ev.com/merrysky220)
Text MERRYISKY220 to 22333 once to join, then A, B, C, D, or E

On a scale of 1-5, please rate how important budget certainty for your organization (e.g., no rate increases for 3 years)?



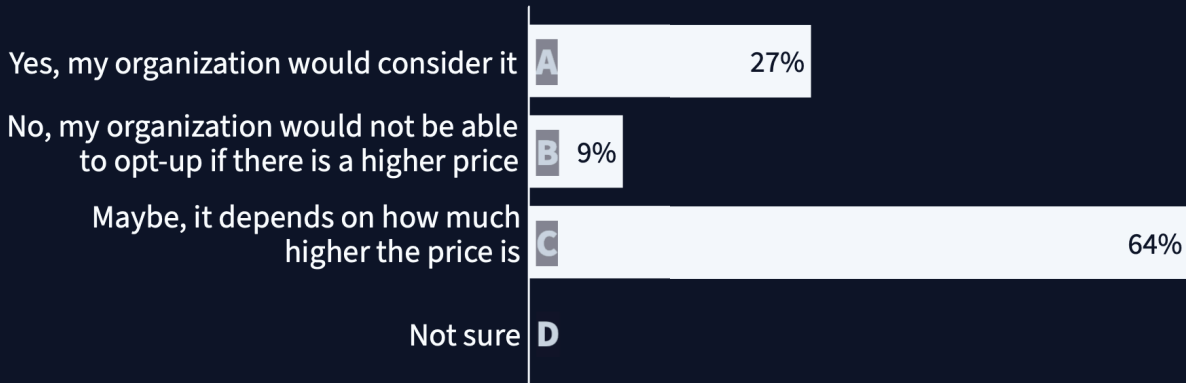
Respond at [PollEv.com/merrysky220](https://poll-ev.com/merrysky220)
Text MERRYISKY220 to 22333 once to join, then A, B, or C

Is your organization currently purchasing a Premium ("opt-up") Electricity Product (e.g., a 100% renewable or carbon-free Deep Green CCA product)?



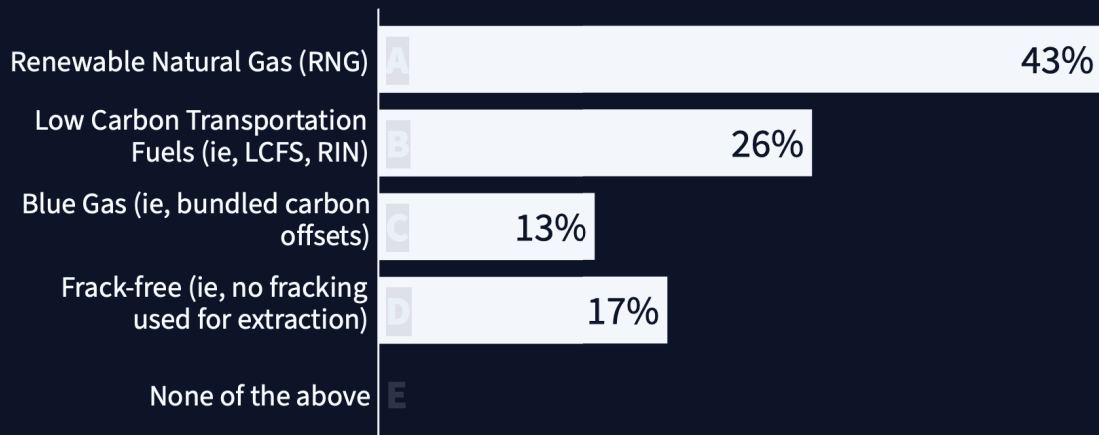
Respond at [PollEv.com/merrysky220](https://poll.ev.com/merrysky220)
Text **MERRYISKY220** to **22333** once to join, then **A, B, C, or D**

Would your organization consider purchasing an opt-up Premium Gas Product with verified environmental benefits if the price is higher vs the Standard Product?



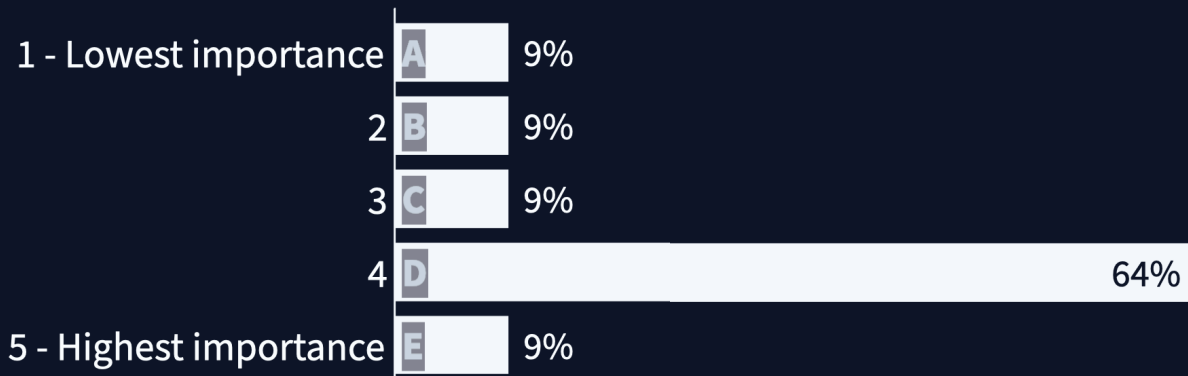
Respond at [PollEv.com/merrysky220](https://poll.ev.com/merrysky220)
Text **MERRYISKY220** to **22333** once to join, then **A, B, C, D, or E**

Please indicate which of the following Premium Gas Products would be of interest/value to your organization. (Select up to 4)



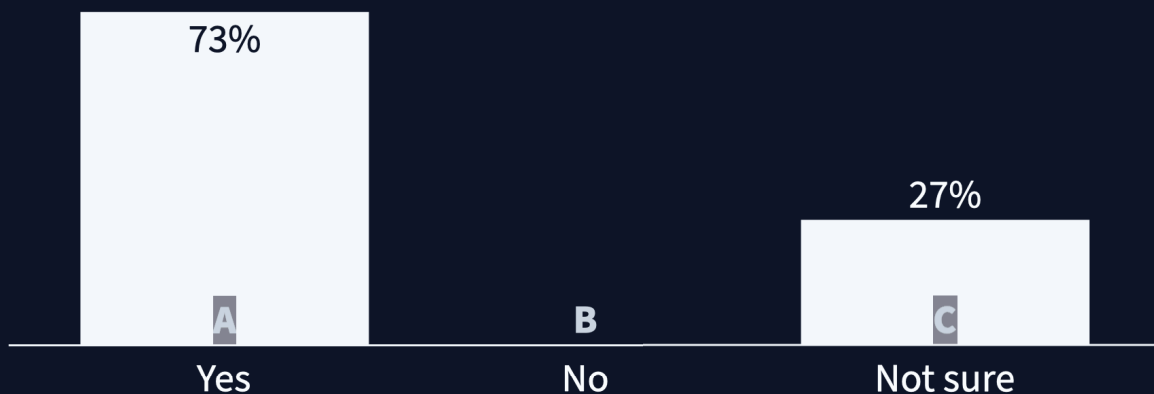
Respond at [PollEv.com/merrysky220](https://poll-ev.com/merrysky220)
Text **MERRYISKY220** to **22333** once to join, then **A, B, C, D, or E**

On a scale of 1-5, please rate how important of a factor the price (i.e., \$/therm) will be for your organization's decisions regarding opting up to a Premium Gas Product?



Respond at [PollEv.com/merrysky220](https://poll-ev.com/merrysky220)
Text **MERRYISKY220** to **22333** once to join, then **A, B, or C**

Do you agree that there is a valuable and beneficial role for an RPS Compliant Premium Gas product to play in the transition to a fossil fuel-free future?





Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #: 21-0811 **Version:** 1 **Name:**
Type: Report **Status:** Informational
File created: 5/12/2021 **In control:** ABAG POWER Executive Committee
On agenda: 6/17/2021 **Final action:**

Title: Staff will review recent gas operations, including gas purchases; the program's long-term hedge position; gas imbalances; regulatory updates; and other miscellaneous program items.

Sponsors:

Indexes:

Code sections:

Attachments: [Agenda Item 7.a.1. - Summary of Natural Gas Program](#)
[Agenda Item 7.a.2. - Summary of Natural Gas Program](#)
[Agenda Item 7.b. - Historical and Anticipated Gas Supply](#)
[Agenda Item 7.c. - Market Price Comparison](#)
[Agenda Item 7.d. - Budget-to-Actual](#)
[Agenda Item 7.e. - Regulatory Proceedings](#)

Date	Ver.	Action By	Action	Result
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Subject:

Staff will review recent gas operations, including gas purchases; the program's long-term hedge position; gas imbalances; regulatory updates; and other miscellaneous program items.

Presenter:

Ryan Jacoby

Recommended Action:

Information

Attachments: List any attachments.

ABAG POWER

Executive Committee Meeting

Thursday, June 17, 2021

Ryan Jacoby
Program Manager



1

7.a. - Monthly Summary of Operations

- Preliminary (unaudited) financial statements indicate a fiscal year cumulative rate **3.7%** higher relative to PG&E's small commercial rate schedule
 - Market prices remain elevated
 - \$90M PG&E procurement credit → six-month amortization of \$1.33/Dth/month
- Transition of gas scheduling services
- Structuring and initiation of outreach for Program Design Stakeholder Engagement Events
- Beginning stages of billing application modernization



2

7.a. - Monthly Summary of Operations

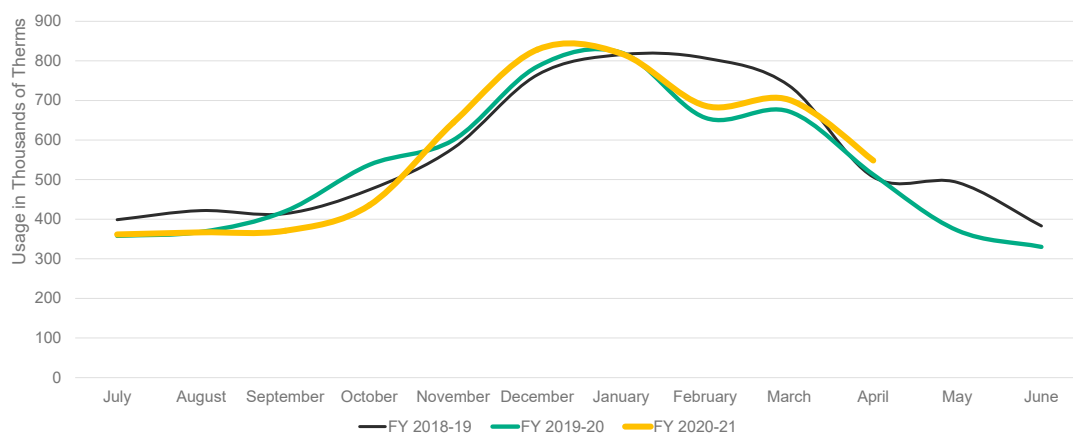
Program Design Stakeholder Engagement Events

- June 7: Member & Stakeholder Roundtables
- June 8-14: 4 Focus Groups
- Upcoming Office Hours:
 - ☐ Friday, June 18
 - ☐ Friday, June 25
 - ☐ Friday, July 2



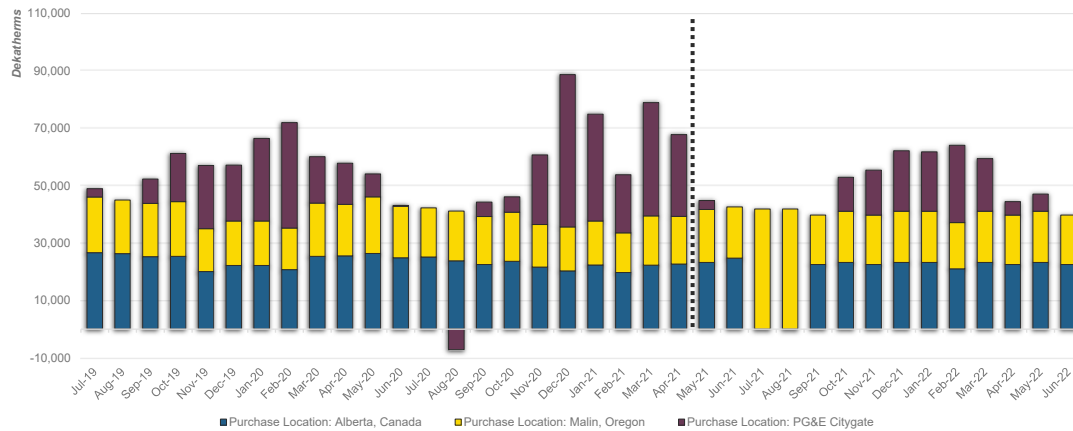
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7.a. - Monthly Summary of Operations



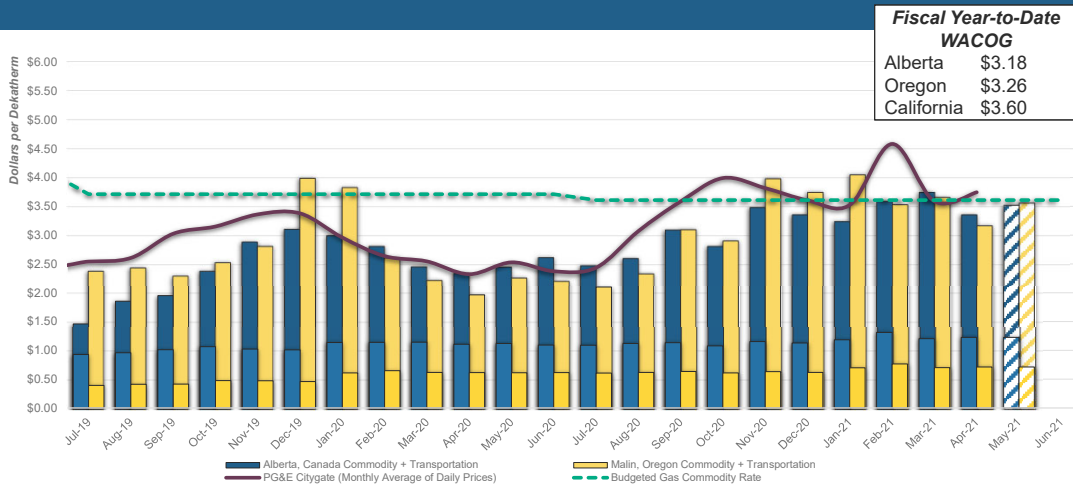
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7.b. – Gas Supply by Origin



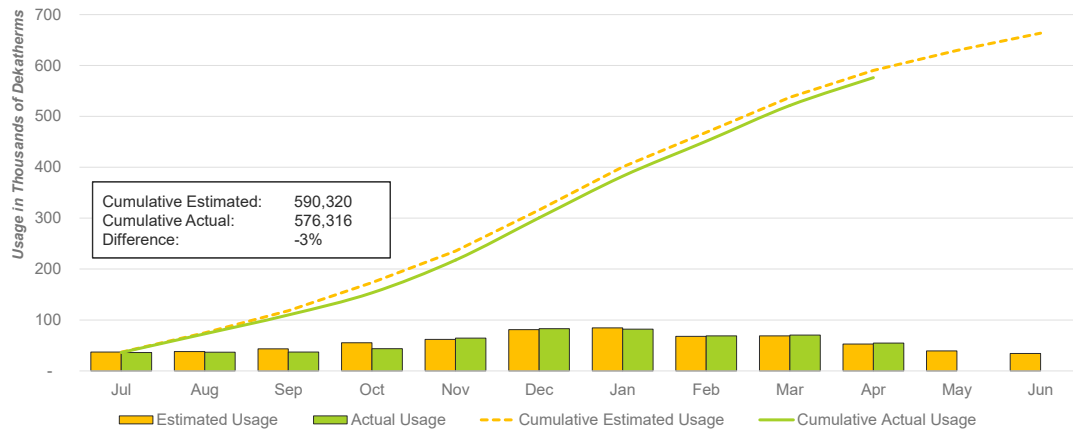
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7.c. – Market Price Comparison



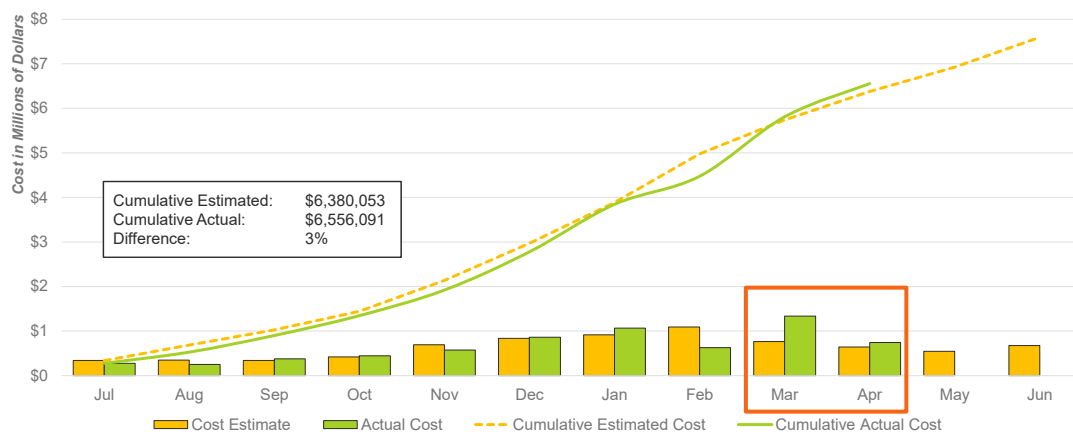
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7.d. – FY 2020-21 Budget-to-Actual



7

7.d. – FY 2020-21 Budget-to-Actual



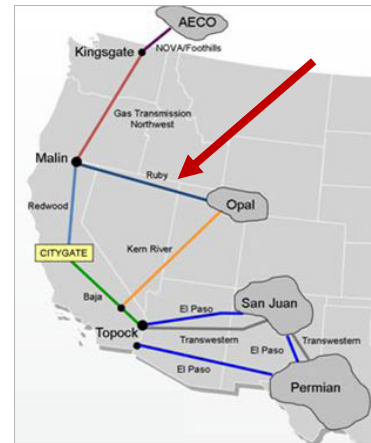
8

7.e. – Regulatory Proceedings

A.20-08-23: PG&E's Long-Term Gas Transportation Agreements w/ Ruby Pipeline

Seeks approval of:

- Amendments executed in May 2020
- Future amendments through an Advice Letter, rather than formal proceeding
- Proposed procedures for annual step-down and “evergreen” contract rights
- Cost recovery mechanism



ABAG Publicly Owned Energy Resources (ABAG POWER)

Executive Committee

June 17, 2021

Agenda Item 7.a.2.

Report on Natural Gas Program

Subject: Monthly Summary of Operations

Background: During fiscal year (FY) 2020-21, natural gas prices have been volatile, averaging significantly higher than recent years. From July 2020 to April 2021, daily prices per dekatherm at PG&E's Citygate ranged from \$2.03 to \$8.85, with an unweighted average of \$3.59.

PG&E's small commercial procurement rate (G-NR1) – the rate under which most ABAG POWER accounts would be categorized – averaged \$3.69 over the same time period.

The program will continue to purchase gas exclusively on daily and monthly markets within California, Oregon, and Alberta, Canada throughout the remainder of FY 2020-21.

Preliminary (unaudited) financial statements through February 2021 indicate a cumulative savings figure of -3.7% when compared to PG&E's G-NR1 rate.

Discussion Items: None.

Recommended Action: None.

Attachment(s): Monthly Summary of Operations, FY 2020-21

Reviewed:

DocuSigned by:
Brad Paul
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Brad Paul

	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q
2				Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Total
4	Gas Purchases ⁽¹⁾															
5	Purchase 1 - Oregon	Qty		17,133	17,360	16,734	17,114	14,843	15,345	15,345	13,860	17,205	16,650			161,589
6		Price		\$1.51	\$1.74	\$2.48	\$2.31	\$3.38	\$3.16	\$3.38	\$2.80	\$2.97	\$2.47			
7																
8	Purchase 2 - California	Qty		0	-7,200	5,000	5,400	24,300	53,100	37,300	20,250	39,498	28,500			206,148
9		Price			\$3.40	\$3.97	\$3.99	\$3.81	\$3.63	\$3.54	\$4.67	\$3.62	\$3.92			
10																
11	Purchase 3 - Canada	Qty		25,110	23,794	22,513	23,610	21,600	20,274	22,320	19,682	22,278	22,667			223,848
12		Price		\$1.43	\$1.53	\$2.01	\$1.76	\$2.36	\$2.27	\$2.09	\$2.13	\$2.58	\$2.15			
13																
16	Total Quantity Purchased			42,243	33,954	44,247	46,124	60,743	88,719	74,965	53,792	78,981	67,817	0	0	591,585
17	Total Gas Purchase Cost			\$ 61,750	\$ 41,969	\$ 106,499	\$ 102,552	\$ 193,688	\$ 287,214	\$ 230,578	\$ 175,162	\$ 251,306	\$ 201,501	\$ -	\$ -	\$1,652,219
18	Total Transportation Cost			\$ 36,290	\$ 36,060	\$ 35,277	\$ 35,889	\$ 31,938	\$ 32,219	\$ 34,511	\$ 33,534	\$ 38,107	\$ 37,920	\$ -	\$ -	\$351,745
19	Total Stranded Pipeline Capacity Cost			\$ 11,231	\$ 11,211	\$ 11,068	\$ 11,279	\$ 3,549	\$ 8,091	\$ 17,636	\$ 12,603	\$ 11,377	\$ 10,796	\$ -	\$ -	\$108,840
20	Backbone Shrinkage (Dths)			(1,322)	(1,393)	(1,418)	(1,602)	(1,436)	(1,465)	(1,553)	(1,348)	(1,556)	(1,240)			(14,333)
21	WACOG ⁽²⁾			\$ 2.67	\$ 2.74	\$ 3.57	\$ 3.36	\$ 3.86	\$ 3.75	\$ 3.85	\$ 4.22	\$ 3.88	\$ 3.76			\$3.47
22																
23	Storage/Inventory															
24	Total Injections/Withdrawals (Dth)			4,037	0	1,675	1,300	(1,214)	(1,724)	(15,617)	(10,849)	(595)	5,684			(17,303)
25	Total Inventory Quantity (Dths)			27,024	27,024	28,699	29,999	28,785	27,061	11,444	595	0	5,684			
26	Total Inventory Value			\$ 64,747	\$ 64,747	\$ 69,098	\$ 73,737	\$ 70,707	\$ 63,915	\$ 32,947	\$ 1,485	\$ -	\$ 17,265			
27	Net Inventory Change in Value			\$ 9,713	\$ -	\$ 4,351	\$ 4,639	\$ (3,030)	\$ (4,303)	\$ (38,351)	\$ (26,568)	\$ (1,485)	\$ 17,265	\$ -	\$ -	\$ (37,768)
28	Avg. Inventory Rate (\$/Dth)			\$ 2.40	\$ 2.40	\$ 2.41	\$ 2.46	\$ 2.46	\$ 2.36	\$ 2.88	\$ 2.50	\$ -	\$ 3.04			
29	PG&E Monthly Storage Cost (\$)			\$ 2,790	\$ 2,790	\$ 2,790	\$ 2,790	\$ 2,790	\$ 2,790	\$ 2,890	\$ 2,890	\$ 2,890	\$ 2,535	\$ -	\$ -	\$ 27,946
30	ISP Monthly Storage Cost (\$)			\$ 6,404	\$ 6,404	\$ 6,404	\$ 6,404	\$ 6,404	\$ 6,404	\$ 6,404	\$ 6,404	\$ 6,404	\$ 10,041	\$ -	\$ -	\$ 67,679
31																
32	Gas Program Monthly Expenses															
33	Cost of Energy Used ⁽³⁾			\$ 108,752	\$ 98,433	\$ 157,687	\$ 154,275	\$ 237,850	\$ 332,930	\$ 312,735	\$ 244,559	\$ 300,193	\$ 234,732	\$ -	\$ -	\$ 2,182,145
34	Staff Cost			15,444	34,113	21,595	31,661	18,478	24,845	5,235	9,697	12,670	29,414	-	-	\$ 203,151
35	Professional Fees & Related ⁽⁴⁾			25,745	12,549	3,715	29,045	12,431	9,646	5,154	4,673	2,506	38,596	-	-	144,061
36	Subtotal			149,940	145,096	182,997	214,981	268,760	367,421	323,124	258,929	315,369	302,742			\$ 2,529,357
37	Rate (\$/Dth)			\$4.14	\$3.95	\$4.93	\$4.94	\$4.17	\$4.43	\$3.95	\$3.77	\$4.49	\$5.52			\$4.39
38																
39	PG&E Pass-through Costs ⁽⁵⁾			126,812	106,311	191,744	230,902	303,506	493,864	741,578	370,293	1,021,576	440,149	-	-	4,026,734
40	Total ABAG POWER Cost			\$ 276,752	\$ 251,407	\$ 374,740	\$ 445,882	\$ 572,266	\$ 861,285	\$ 1,064,702	\$ 629,222	\$ 1,336,944	\$ 742,891			\$ 6,556,091
41																
42	Actual (metered) Gas Usage															
43	Core ⁽⁶⁾			28,525	28,494	27,800	35,800	57,700	75,635	75,576	64,711	65,808	49,129			509,178
44	Non Core			7,650	8,195	9,310	7,737	6,733	7,216	6,281	3,943	4,373	5,702			67,140
45	Total Program Usage			36,175	36,689	37,110	43,537	64,433	82,851	81,857	68,654	70,181	54,831			576,318
46																
47	ABAG POWER Total Core Rate			\$ 8.59	\$ 7.69	\$ 11.83	\$ 11.39	\$ 9.43	\$ 10.96	\$ 13.76	\$ 9.49	\$ 20.02	\$ 14.48			
48																
49																
50	PG&E Rate ⁽⁷⁾															
51	Procurement Charge ⁽⁸⁾			2.18	2.63	3.99	3.61	4.40	4.64	4.72	4.69	4.02	2.02	1.89	1.96	
52	Transportation/Other Charge ⁽⁹⁾			4.45	3.73	6.90	6.45	5.26	6.53	9.81	5.72	15.52	8.96			
53	Total PG&E Rate			\$ 6.63	\$ 6.36	\$ 10.88	\$ 10.06	\$ 9.66	\$ 11.17	\$ 14.53	\$ 10.41	\$ 19.54	\$ 10.98	\$ 1.89	\$ 1.96	
54																
55	Monthly Index Postings															
56	NGI Bidweek for PG&E Citygate			\$2.46	\$2.53	\$3.47	\$3.98	\$4.01	\$3.71	\$3.68	\$3.55	\$3.82	\$3.62	\$4.14		
57	Gas Daily Avg. for PG&E Citygate			\$2.44	\$3.07	\$3.59	\$3.99	\$3.82	\$3.61	\$3.53	\$4.58	\$3.59	\$3.75			
58	NGI Bidweek for Malin			\$1.50	\$1.73	\$2.47	\$2.30	\$3.35	\$3.13	\$3.36	\$2.77	\$2.96	\$2.46	\$2.85		
59	AB-NIT Month Ahead (7A US)			\$1.39	\$1.49	\$1.97	\$1.74	\$2.33	\$2.23	\$2.06	\$2.28	\$2.55	\$2.13	\$2.30		
60																

ABAG Publicly Owned Energy Resources (ABAG POWER)

Executive Committee

June 17, 2021

Agenda Item 7.b.

Report on Natural Gas Program

Subject: Historical and Anticipated Gas Supply

Background: Since July 1, 2018, the general gas purchasing strategy has been exclusively in the short-term, index-based market.

Gas purchases are currently made on monthly and daily indices at three market locations. Fixed-price purchases are made only by exception and with Committee approval.

Discussion Items: None.

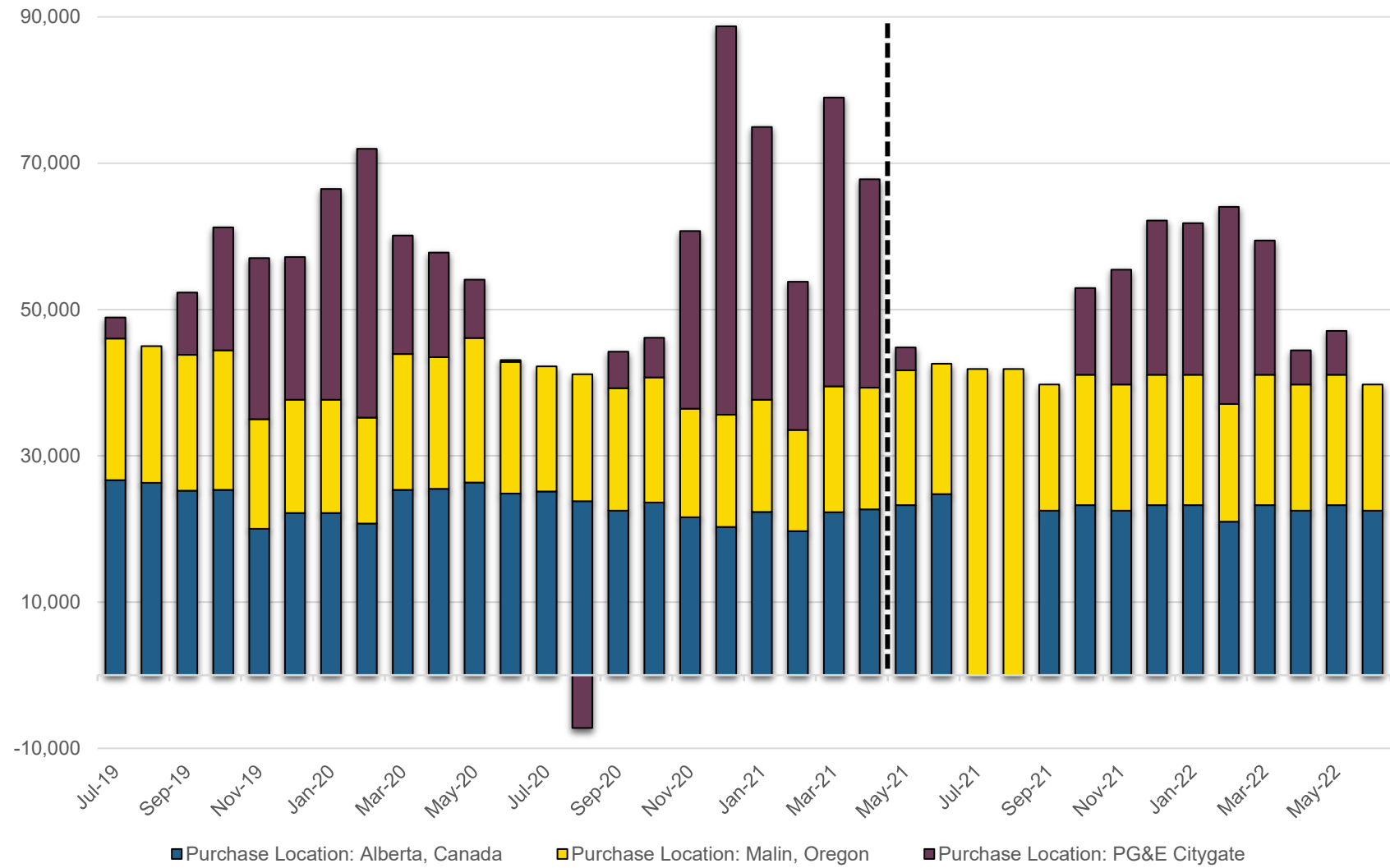
Recommended Action: None.

Attachment(s): Historical and Anticipated Gas Supply Chart

Reviewed:

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Brad Paul
6/9/2021
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Brad Paul

Historical and Anticipated Gas Supply



ABAG Publicly Owned Energy Resources (ABAG POWER)**Executive Committee**

June 17, 2021**Agenda Item 7.c.**

Report on Natural Gas Program

Subject: Market Price Comparison

Background: During the first few calendar months of fiscal year 2020-21, gas prices at western markets were approximately \$2.50 per dekatherm (Dth). Market expectations generally assumed prices would remain stable and low throughout the remainder of 2020. The COVID-19 pandemic, however, upended those predictions.

The most significant pricing impacts from the pandemic are decreases in both natural gas production and consumption. For the first half of the calendar year, these decreases still resulted in balanced supply and demand forces, and prices remained within the \$2.00-2.50/Dth range. Thereafter, there were several events that resulted in price increases. Specifically:

- In August 2020, demand began to exceed supply as western regions experienced persistent heat events. The increased demand caused a corresponding increase in pricing, compounded by lagging production. Since November, winter market prices have remained within the \$3.50-4.00/Dth range, often above the program's budgeted rate of \$3.61/Dth.
- In February 2021, a severe winter storm struck vast swaths of the United States, and most severely in Texas. The storm caused a surge in energy demand and combined with the freezing temperatures, overwhelmed the state's energy infrastructure. Millions were forced to endure frigid temperatures without electricity or heat. Energy prices skyrocketed nation-wide as demand grew for natural gas and electricity.
- As of May 2021, western pricing remains in the \$3.85-4.00 range, primarily driven by a recovery in demand caused by the loosening of coronavirus-related restrictions and electric generation. Natural gas-powered electric generation is currently higher than it has ever been at this time of year. Among the electric generation drivers are fuel-switching, and low hydroelectric generation caused by a low snow pack.

Discussion Items: None.

ABAG Publicly Owned Energy Resources (ABAG POWER)

Executive Committee

June 17, 2021

Agenda Item 7.c.

Report on Natural Gas Program

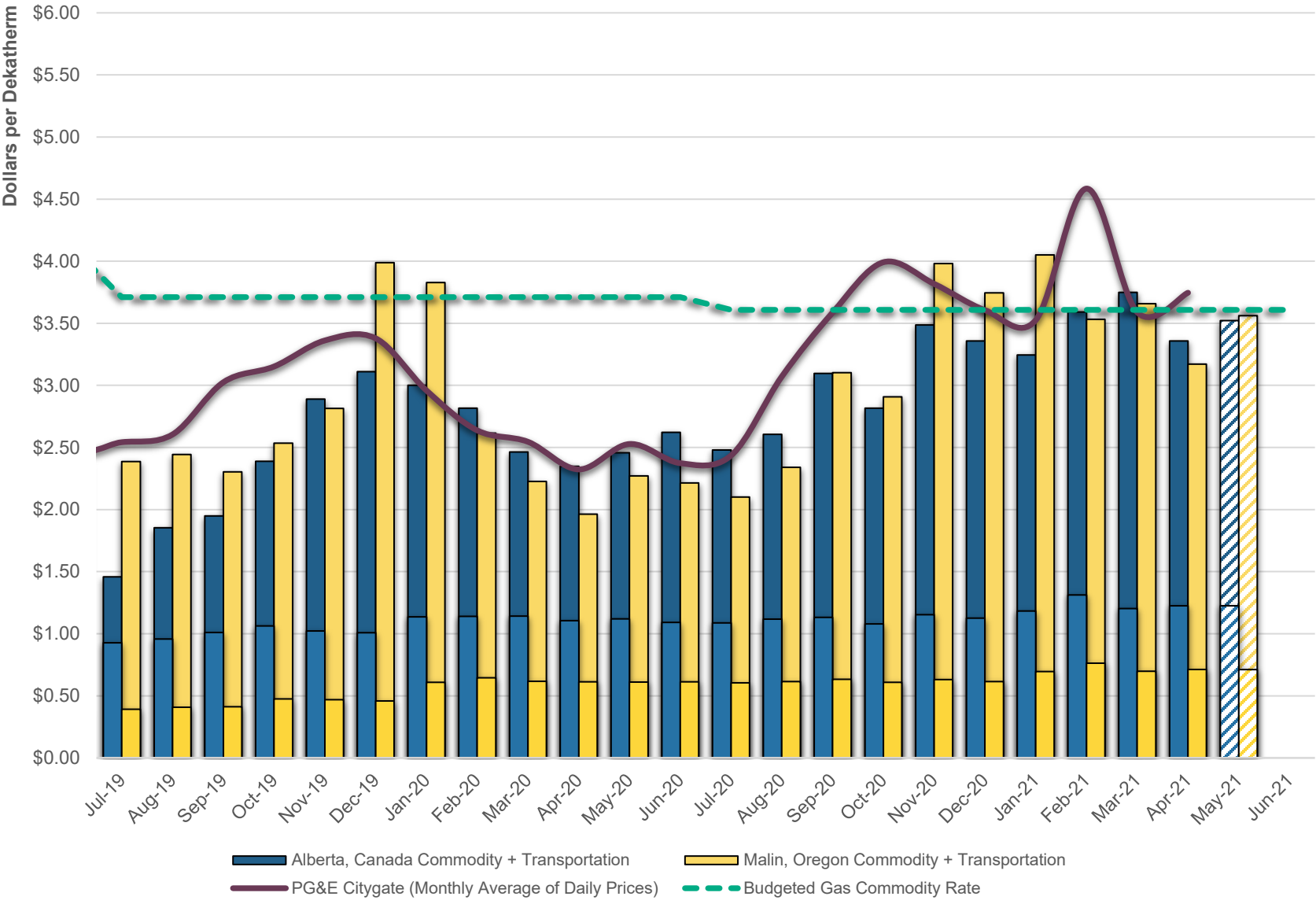
Recommended Action: None.

Attachment(s): Market Price Comparison

Reviewed:

DocuSigned by:
Brad Paul
6/9/2021
Brad Paul

Market Price Comparison



ABAG Publicly Owned Energy Resources (ABAG POWER)**Executive Committee****June 17, 2021****Agenda Item 7.d.****Report on Natural Gas Program****Subject:** Fiscal Year (FY) 2020-21 Budget-to-Actual

Background: ABAG POWER's adopted operating budget provides a core natural gas rate of \$0.36 per therm. As of April 30, 2021, the program's fiscal year-to-date core gas rate was \$0.43 per therm. The rate reflects a combination of higher than anticipated gas prices, coupled with decreased usage in the summer months due to warm weather and COVID-19-related reductions in facility usage.

<i>Dollars per therm (\$/therm)</i>		
	FY 2020-21 YTD Actual	FY 2020-21 Budget
Core Gas Rate	\$0.43	\$0.36
Noncore Gas Rate	\$0.42	\$0.35
PG&E Pass-through Costs	\$0.79	\$0.75
Program Expenses	\$0.06	\$0.11
Core Total Rate	\$1.28	\$1.22
Noncore Total Rate	\$0.48	\$0.43

As the fiscal year has progressed, core and noncore total rates were expected to decline as seasonal usage (generally from November to March) returns, but market prices have remained elevated, causing a sustained increase.

PG&E pass-through costs also increased substantially beginning in April 2021 but will decline sharply as seasonal load departs due to summer temperatures.

Discussion Items: None.**Recommended Action:** None.**Attachment(s):** Fiscal Year 2020-21 Budget-to-Actual**Reviewed:**

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 Brad Paul

6/9/2021

Agenda Item 7.d. – FY 2020-21 Budget-to-Actual

June 17, 2021

Page 2 of 2

	YTD Actual As of 04/30/21	Projected FY 2020-21	Adopted Budget FY 2020-21	Projected Utilization
Revenue				
Sale of Energy	6,326,780	7,558,440	7,558,440	100%
Interest Income	8,420	11,000	35,000	31%
Other Revenue	11,526	13,000	9,000	144%
Total Revenue	<u>6,346,726</u>	<u>7,582,440</u>	<u>7,602,440</u>	<u>100%</u>
Expense				
Cost of Energy				
PG&E Pass-through Costs	4,026,734	4,826,734	4,350,755	109%
Gas Commodity & Shrinkage Costs	1,717,840	1,917,840	1,844,335	104%
Intra/Interstate Pipeline Transportation	460,585	560,585	542,670	103%
Gas Storage	95,625	120,775	127,618	95%
Total Cost of Energy	<u>6,300,785</u>	<u>7,425,935</u>	<u>6,865,378</u>	<u>107%</u>
Staff Cost				
Salary & Benefits	135,346	167,346	266,243	63%
Overhead	67,805	85,805	150,854	57%
Total Staff Cost	<u>203,151</u>	<u>253,151</u>	<u>417,097</u>	<u>61%</u>
Consultant Services				
Program Design Services	33,821	82,000	150,000	55%
Gas Scheduling Services	22,350	40,150	30,400	132%
Database Hosting Services	17,662	17,662	20,000	88%
Financial Reporting	900	900	0	-
Brokerage Services	7,929	9,529	12,000	79%
External Legal Support	0	0	10,000	0%
Electronic Data Interchange Services	5,670	6,870	7,750	89%
Total Consultant Services	<u>79,432</u>	<u>157,111</u>	<u>230,150</u>	<u>68%</u>
Other Expenses				
Audit	52,044	52,044	70,000	74%
Interest Expense/Bank Charges	9,118	10,940	9,500	115%
Catering	0	0	2,000	0%
Market Pricing Subscriptions	1,660	1,660	1,660	100%
Travel	0	0	1,000	0%
Industry Memberships & Conferences	375	375	1,450	26%
Insurance	700	700	700	100%
Postage	682	800	0	-
Miscellaneous	50	50	300	17%
Total Other Expense	<u>63,947</u>	<u>66,569</u>	<u>86,610</u>	<u>77%</u>
Total Expense	<u>6,647,315</u>	<u>7,902,766</u>	<u>7,599,235</u>	<u>103%</u>
Surplus / Deficit	<u>-300,589</u>	<u>-320,326</u>	<u>3,205</u>	
Core Annual Usage (Dth):	509,178	571,709	577,537	99%
Noncore Annual Usage (Dth):	67,140	81,140	86,143	94%
Core Gas Rate (\$/therm):	0.43		0.36	
Noncore Gas Rate (\$/therm):	0.42		0.35	
PG&E Pass-through Costs (\$/therm):	0.79		0.75	
Program Expenses (\$/therm):	0.06		0.11	
Core Total Rate (\$/therm):	1.28		1.22	
Noncore Total Rate (\$/therm):	0.48		0.43	

ABAG Publicly Owned Energy Resources (ABAG POWER)

Executive Committee

June 17, 2021

Agenda Item 7.e.

Report on Natural Gas Program

Subject: Regulatory Proceedings

Background: Staff monitor and participate in relevant California Public Utilities Commission (CPUC) regulatory proceedings to keep apprised of funding opportunities, ensure compliance with relevant requirements, and to provide comments that reflect the unique perspective of ABAG POWER.

ABAG POWER is a party to two ongoing proceedings:

- Application (A.) 20-08-23: Application of PG&E for Approval of Amendments to Long-Term Natural Gas Transportation Contracts with Ruby Pipeline, to Establish and Confirm Procedures for Exercising Step-Down Capacity and Evergreen Contract Rights, and for Authorization for Bifurcated Management and Cost Recovery of Electric Fuels' Redwood Path Arrangements
- Rulemaking (R.) 20-01-007: Order Instituting Rulemaking to Establish Policies, Processes, and Rules to Ensure Safe and Reliable Gas Systems in California and perform Long-Term Gas System Planning


Staff will provide a regulatory update on these proceedings, and opportunities for involvement.

Discussion Items: None.

Recommended Action: None.

Attachment(s): None.

Reviewed:

DocuSigned by:

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6/9/2021
Brad Paul



Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #: 21-0882 **Version:** 1 **Name:**
Type: Action Item **Status:** Committee Approval
File created: 6/2/2021 **In control:** ABAG POWER Executive Committee
On agenda: 6/17/2021 **Final action:**
Title: Staff will present for approval an amendment increasing the ABAG POWER Fiscal Year 2020-21 Operating Budget by \$500,000, to a total amount not to exceed \$8,102,440.

Sponsors:

Indexes:

Code sections:

Attachments: [Agenda Item 8.a. - FY 2020-21 Operating Budget Amendment](#)
[Agenda Item 8.b. - Summary Approval - FY 2020-21 Operating Budget Amendment](#)

Date	Ver.	Action By	Action	Result
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Subject:

Staff will present for approval an amendment increasing the ABAG POWER Fiscal Year 2020-21 Operating Budget by \$500,000, to a total amount not to exceed \$8,102,440.

Presenter:

Ray Woo; Ryan Jacoby

Recommended Action:

Approval

Attachments: List any attachments.

ABAG Publicly Owned Energy Resources (ABAG POWER)**Executive Committee**

June 17, 2021**Agenda Item 8.a.**

Fiscal Year 2020-21 Operating Budget Amendment

Subject: Fiscal Year (FY) 2020-21 Operating Budget Amendment

Background: As of May 31, 2021, the program's year-end expenditures are projected to exceed the approved operating budget. Two components of the Cost of Energy Used budget category are trending significantly higher than anticipated:

- **Gas Commodity & Shrinkage Costs:** natural gas market prices have remained elevated throughout most of the fiscal year, causing the program to realize expenditures well in excess of the \$0.36/therm budgeted rate for gas commodity.
- **Pacific Gas and Electric Company (PG&E) pass-through costs:** State-regulated costs for local distribution have continued to increase. Rate increases effective January 1 and April 1, 2021 continue to absorb the majority of the expense budget.

The program's general purchasing strategy attempts to balance risk exposure with cost savings and price stability, but ultimately the market price for natural gas is subject to forces of supply and demand that are beyond the control of the program. PG&E and other core transport agents are also subject to these prices to varying degrees.

The operating budget must be amended to accommodate vendor payments exceeding the adopted expense budget. It is recommended that the working capital deposits be used to pay the increase in operating costs this fiscal year.

Discussion Items: The program's working capital deposits (\$2 million) are sufficient to address the projected deficit of \$500,000. Any difference in actual costs will be recovered in the annual true-up process. This request seeks to authorize additional expenditures, but does not modify associated revenue; therefore, there is no change to the program's budgeted rate or monthly levelized charges.

Recommended Action: The ABAG POWER Executive Committee is requested to authorize an increase to the Fiscal Year 2020-21 Operating Budget in the amount of \$500,000 for a total budget not to exceed \$8,102,440.

ABAG Publicly Owned Energy Resources (ABAG POWER)

Executive Committee

June 17, 2021

Agenda Item 8.a.

Fiscal Year 2020-21 Operating Budget Amendment

Attachment(s): Fiscal Year 2020-21 Operating Budget Amendment (06/17/21)

Reviewed:

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Brad Paul
6/9/2021
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Brad Paul

Agenda Item 8.a. – FY 2020-21 Operating Budget Amendment (06/17/21)

June 17, 2021

Page 3 of 3

	YTD Actual As of 04/30/21	Projected FY 2020-21	Adopted Budget FY 2020-21	Proposed Amendment
Revenue				
Sale of Energy	6,326,780	7,558,440	7,558,440	7,558,440
Interest Income	8,420	11,000	35,000	35,000
Other Revenue	11,526	13,000	9,000	9,000
Total Revenue	<u>6,346,726</u>	<u>7,582,440</u>	<u>7,602,440</u>	<u>7,602,440</u>
Expense				
Cost of Energy				
PG&E Pass-through Costs	4,026,734	4,826,734	4,350,755	4,650,755
Gas Commodity & Shrinkage Costs	1,717,840	1,917,840	1,844,335	2,047,540
Intra/Interstate Pipeline Transportation	460,585	560,585	542,670	542,670
Gas Storage	95,625	120,775	127,618	127,618
Total Cost of Energy	<u>6,300,785</u>	<u>7,425,935</u>	<u>6,865,378</u>	<u>7,368,583</u>
Staff Cost				
Salary & Benefits	135,346	167,346	266,243	266,243
Overhead	67,805	85,805	150,854	150,854
Total Staff Cost	<u>203,151</u>	<u>253,151</u>	<u>417,097</u>	<u>417,097</u>
Consultant Services				
Program Design Services	33,821	82,000	150,000	150,000
Gas Scheduling Services	22,350	40,150	30,400	30,150
Database Hosting Services	17,662	17,662	20,000	20,000
Financial Reporting	900	900	0	0
Brokerage Services	7,929	9,529	12,000	12,000
External Legal Support	0	0	10,000	10,000
Electronic Data Interchange Services	5,670	6,870	7,750	7,750
Total Consultant Services	<u>79,432</u>	<u>157,111</u>	<u>230,150</u>	<u>230,150</u>
Other Expenses				
Audit	52,044	52,044	70,000	70,000
Interest Expense/Bank Charges	9,118	10,940	9,500	9,500
Catering	0	0	2,000	2,000
Market Pricing Subscriptions	1,660	1,660	1,660	1,660
Travel	0	0	1,000	1,000
Industry Memberships & Conferences	375	375	1,450	1,450
Insurance	700	700	700	700
Postage	682	800	0	0
Miscellaneous	50	50	300	300
Total Other Expense	<u>63,947</u>	<u>66,569</u>	<u>86,610</u>	<u>86,610</u>
Total Expense	<u>6,647,315</u>	<u>7,902,766</u>	<u>7,599,235</u>	<u>8,102,440</u>
Surplus / Deficit	<u>-300,589</u>	<u>-320,326</u>	<u>3,205</u>	<u>-500,000</u>
Transfer In from Reserve	<u>0</u>	<u>0</u>	<u>0</u>	<u>500,000</u>



SUMMARY OF EXECUTIVE COMMITTEE APPROVAL

Work Item No.:	1707
Consultant:	N/A
Work Project Title:	ABAG POWER
Purpose of Project:	Purchase/transport of natural gas
Brief Scope of Work:	Enable price stability and cost savings by conducting pooled purchasing of natural gas on behalf of local governments.
Project Cost Not to Exceed:	\$8,102,440
Funding Source:	Program Participant Fees
Fiscal Impact:	Funds programmed in FY 20/21 Budget
Motion by Committee:	The ABAG POWER Executive Committee authorizes an increase to the Fiscal Year 2020-21 Operating Budget in the amount of \$500,000, for a total budget not to exceed \$8,102,440 as detailed on Page 2.
Executive Committee Approval:	Dave Brees Chair, Executive Committee
Approval Date:	June 17, 2021

	Amended FY 2020-21
Revenue	
Sale of Energy	\$7,558,440
Interest Income	\$35,000
Other Revenue	\$9,000
<i>Total Revenue</i>	<u>\$7,602,440</u>
Expense	
Cost of Energy	
PG&E Pass-through Costs	\$4,650,000
Gas Commodity & Shrinkage Costs	\$2,047,540
Intra/Interstate Pipeline Transportation	\$565,585
Gas Storage	\$127,618
<i>Total Cost of Energy</i>	<u>\$7,368,583</u>
Staff Cost	
Salary & Benefits	\$266,243
Overhead	\$150,854
<i>Total Staff Cost</i>	<u>\$417,097</u>
Consultant Services	
Program Design Services	\$150,000
Gas Scheduling Services	\$30,150
Database Hosting Services	\$20,000
Brokerage Services	\$12,000
External Legal Support	\$10,000
Electronic Data Interchange Services	\$7,750
<i>Total Consultant Services</i>	<u>\$230,150</u>
Other Expenses	
Audit	\$70,000
Bank Charges	\$9,500
Catering	\$2,000
Market Pricing Subscriptions	\$1,660
Travel	\$1,000
Industry Memberships & Conferences	\$1,450
Insurance	\$700
Miscellaneous	\$300
<i>Total Other Expense</i>	<u>\$86,610</u>
Total Expense	<u>\$8,102,440</u>
Surplus / Deficit	<u>-\$500,000</u>
Transfer In from Reserve	<u>500,000</u>



Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #:	21-0812	Version:	1	Name:	
Type:	Action Item	Status:		Committee Approval	
File created:	5/12/2021	In control:		ABAG POWER Executive Committee	
On agenda:	6/17/2021	Final action:			
Title:	Staff will present for approval the ABAG POWER Fiscal Year 2021-22 Operating Budget in an amount not to exceed \$8,469,400.				
Sponsors:					
Indexes:					
Code sections:					
Attachments:	Agenda Item 9.a. - FY 2021-22 Operating Budget 061721 Agenda Item 9.b. - FY 2021-22 Operating Budget 061721 Agenda Item 9.c. - Summary Approval - FY 2021-22 Operating Budget 061720				

Date	Ver.	Action By	Action	Result
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Subject:

Staff will present for approval the ABAG POWER Fiscal Year 2021-22 Operating Budget in an amount not to exceed \$8,469,400.

Presenter:

Ray Woo; Ryan Jacoby

Recommended Action:

Approval

Attachments: List any attachments.

ABAG Publicly Owned Energy Resources (ABAG POWER)**Executive Committee****June 17, 2021****Agenda Item 9.a.****Fiscal Year 2021-22 Operating Budget****Subject:** Fiscal Year 2021-22 Operating Budget**Background:** The natural gas program budget for Fiscal Year (FY) 2021-22 reflects an increase of 4%, from \$8.1 million to \$8.5 million, compared to the previous fiscal year.**Notable Changes**

Since the preliminary operating budget was presented on April 15, 2021, the two most significant changes reflected in the proposed operating budget are included below.

Budget Category	Prior Budget Estimate (04/15)	Proposed Budget (06/17)
PG&E Pass-through Costs	\$4,198,527	\$4,770,212
Gas Commodity & Shrinkage Costs	\$1,945,061	\$2,175,311

Revenue

The gas program operates as a not-for-profit entity; therefore, revenue equals costs less interest and other income. The increase in revenue is due to a corresponding increase in expenses.

Cost of Energy

The cost of energy is comprised of pass-through, gas commodity and shrinkage, transportation, and storage costs.

Pacific Gas and Electric Company (PG&E) pass-through costs represent 56% of the program budget and primarily consist of customer and transportation costs associated with local distribution. The California Public Utilities Commission (CPUC) determines “just and reasonable” rates requested by PG&E through public proceedings. These costs have increased significantly in recent years, driven by PG&E’s requested cost recovery for safety improvements.

Commodity costs are impacted both by the program’s usage and market factors including supply and demand, purchase location and contract structure. The year-over-year increase of 6% anticipates local market prices remaining in the \$3.75-4.25/Dth

ABAG Publicly Owned Energy Resources (ABAG POWER)

Executive Committee

June 17, 2021

Agenda Item 9.a.

Fiscal Year 2021-22 Operating Budget

range, and a minor decrease in core usage. Shrinkage refers to the loss of a small volume of gas during compression and long-distance transport. Because of shrinkage, the program must purchase more gas than is actually used.

Intra- and inter-state pipeline transportation costs are dependent upon the program’s gas purchasing strategy, which details where, and in which amounts, gas is purchased. Pipeline transportation rates are determined by state or federal agencies which regulate pipeline operators. An anticipated 2% increase reflects routine safety and modernization measures proposed by pipeline operators.

Storage costs are expected to increase, due to both an increase in the program’s inventory capacity, and rising rates for storage provided by PG&E and a third-party provider.

Staff Cost

Staff costs will decrease by approximately \$2,200 or 1% as a result of a decrease in staff time allocated to the program.

Consultant Services

The sole increase proposed to Consultant Services reflects an addition of \$76,400 to the program’s gas scheduling services. This augmentation reflects a transition of services to GPT, Inc. GPT, Inc., through its program design services, will also support various task orders intended to position the program to continue pursuing both near- and long-term benefits.

To partially offset this increase, decreases are proposed to the external legal support (\$10,000) and database hosting services (\$2,000) budgets.

Other Expenses

A minor decrease (\$500) is proposed to the Catering budget; otherwise, there are no changes to Other Expenses.

Discussion Items: None.

Recommended Action: The ABAG POWER Executive Committee is requested to review and approve as proposed the Fiscal Year 2021-22 ABAG POWER

ABAG Publicly Owned Energy Resources (ABAG POWER)

Executive Committee

June 17, 2021

Agenda Item 9.a.

Fiscal Year 2021-22 Operating Budget

operating budget of \$8,469,400 and accompanying levelized charges.

Attachment(s):

ABAG POWER FY 2021-22 Operating Budget

ABAG POWER FY 2021-22 Levelized Charges

Reviewed:

DocuSigned by:
Brad Paul
6/9/2021
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Brad Paul

	YTD Actual As of 04/30/21	Projected FY 2020-21	Amended Budget FY 2020-21	Proposed FY 2021-2022	% Change Inc./Dec
Revenue					
Sale of Energy	6,326,780	7,558,440	7,558,440	\$ 8,455,200	12%
Interest Income - Banks/LAIF	8,420	11,000	35,000	\$ 5,000	-86%
Other Revenue	11,526	13,000	9,000	\$ 9,200	2%
Total Revenue	6,346,726	7,582,440	7,602,440	\$ 8,469,400	11%
Expense					
Cost of Energy					
PG&E Pass-through Costs	4,026,734	4,826,734	4,650,755	\$ 4,770,212	3%
Gas Commodity & Shrinkage Costs	1,717,840	1,917,840	2,047,540	\$ 2,175,311	6%
Intra/Interstate Pipeline Transportation	460,585	560,585	542,670	\$ 554,615	2%
Gas Storage	95,625	120,775	127,618	\$ 170,371	34%
Total Cost of Energy	6,300,785	7,425,935	7,368,583	\$ 7,670,510	4%
Staff Cost					
Salary & Benefits	135,346	167,346	266,243	\$ 276,473	4%
Overhead	67,805	85,805	150,854	\$ 138,403	-8%
Total Staff Cost	203,151	253,151	417,097	\$ 414,876	-1%
Consultant Services					
Program Design Services	24,921	82,000	150,000	\$ 150,000	0%
Gas Scheduling Services	22,350	40,150	30,400	\$ 106,800	251%
Database Hosting Services	17,662	17,662	20,000	\$ 18,545	-7%
Financial Reporting	900	900	0	\$ -	0%
Brokerage Services	7,929	9,529	12,000	\$ 12,000	0%
External Legal Support	0	0	10,000	\$ -	-100%
Electronic Data Interchange Services	5,670	6,870	7,750	\$ 7,750	0%
Total Consultant Services	79,432	157,111	230,150	\$ 295,095	28%
Other Expenses					
Audit	52,044	52,044	70,000	\$ 70,000	0%
Interest Expense/Bank Charges	9,118	10,940	9,500	\$ 9,500	0%
Catering	0	0	2,000	\$ 1,500	-25%
Market Pricing Subscriptions	1,660	1,660	1,660	\$ 1,660	0%
Travel	0	0	1,000	\$ 1,000	0%
Industry Memberships & Conferences	375	375	1,450	\$ 1,450	0%
Insurance	700	700	700	\$ 700	0%
Postage	682	800	0	\$ -	
Miscellaneous	50	50	300	\$ 300	0%
Total Other Expense	64,629	66,569	86,610	\$ 86,110	-1%
Total Expense	6,647,997	7,902,766	8,102,440	\$ 8,466,591	4%
Year-end Balance	-301,270	-320,326	-500,000	\$ 2,809	
Core Annual Usage (Dth):	509,178	579,178	577,537	558,101	-3%
Noncore Annual Usage (Dth):	67,140	81,140	86,143	91,118	6%
Core Gas Commodity (\$/therm):	0.45		0.36	\$ 0.42	17%
Noncore Gas Commodity (\$/therm):	0.43		0.35	\$ 0.42	18%
PG&E Pass-through Costs (\$/therm):	0.80		0.75	\$ 0.85	14%
Program Expenses (\$/therm):	0.07		0.11	\$ 0.12	9%
Core Total Rate (\$/therm):	1.32		1.22	\$ 1.40	14%
Noncore Total Rate (\$/therm):	0.50		0.43	\$ 0.54	24%

			ABAG POWER Operating Costs		PG&E Costs		
			Gas Commodity and Transportation Cost	Program Expenses	Gas Storage Costs	PG&E Pass-through Costs	Distribution Shrinkage
Core Rates	Small Commercial	G-NR1				\$ 0.860	
	Large Commercial	G-NR2	\$ 0.415	\$ 0.120	\$ 0.031	\$ 0.669	\$ 0.0159
	Residential	G-1/GM				\$ 0.887	
Noncore Rate	Electric Generation	G-NT	\$ 0.415	\$ 0.120	\$ -	\$ -	\$ 0.001

Member Agency	Master Account	Predominant Load Schedule	Estimated Annual Usage	Gas Commodity and Transportation Cost	Program Expenses	Gas Storage Costs	PG&E Pass-through Costs	Distribution Shrinkage	Total Annual Cost Estimate	FY 21-22 Monthly Levelized Charge	FY 20-21 Monthly Levelized Charge
Alameda, City											
Alameda, City	ALAACPC001	G-NR1	51,357	\$ 21,301	\$ 6,185	\$ 1,568	\$ 44,175	\$ 339	\$ 73,568	\$ 6,140	\$ 5,370
Alameda Municipal Power	ALAACPC002	G-NR1	473	\$ 196	\$ 57	\$ 14	\$ 407	\$ 3	\$ 677	\$ 60	\$ 60
Alameda City Housing Authority	ALAACPC003	G-1/G-M	34,912	\$ 14,480	\$ 4,205	\$ 1,066	\$ 30,969	\$ 230	\$ 50,950	\$ 4,250	\$ 4,630
Albany, City	ALBACPC001	G-NR1	10,919	\$ 4,529	\$ 1,315	\$ 333	\$ 9,392	\$ 72	\$ 15,642	\$ 1,310	\$ 1,200
Atherton, Town	ATHACPT001	G-1/G-M	3,585	\$ 1,487	\$ 432	\$ 109	\$ 3,180	\$ 24	\$ 5,231	\$ 440	\$ 470
Benicia, City	BENACPC001	G-NR1	69,241	\$ 28,718	\$ 8,339	\$ 2,114	\$ 59,557	\$ 457	\$ 99,185	\$ 8,270	\$ 7,100
Contra Costa, County	CONACPN001	G-NR1	1,292,733	\$ 536,174	\$ 155,689	\$ 39,463	\$ 1,111,944	\$ 8,534	\$ 1,851,805	\$ 154,320	\$ 131,280
Cupertino, City	CUPACPC001	G-NR1	33,325	\$ 13,822	\$ 4,013	\$ 1,017	\$ 28,664	\$ 220	\$ 47,737	\$ 3,980	\$ 4,290
Fremont, City	FREACPC001	G-NR1	199,886	\$ 82,905	\$ 24,073	\$ 6,102	\$ 171,932	\$ 1,320	\$ 286,331	\$ 23,870	\$ 19,150
Golden Gate Bridge, H&TD	GOLACP001	G-NR1	60,373	\$ 25,040	\$ 7,271	\$ 1,843	\$ 51,930	\$ 399	\$ 86,483	\$ 7,210	\$ 6,240
Gonzales, City	GONACPC001	G-NR1	8,417	\$ 3,491	\$ 1,014	\$ 257	\$ 7,240	\$ 56	\$ 12,057	\$ 1,010	\$ 1,550
Half Moon Bay, City	HALACPC001	G-NR1	1,878	\$ 779	\$ 226	\$ 57	\$ 1,616	\$ 12	\$ 2,691	\$ 230	\$ 230
Hercules, City	HERACPC001	G-NR1	51,829	\$ 21,497	\$ 6,242	\$ 1,582	\$ 44,581	\$ 342	\$ 74,244	\$ 6,190	\$ 1,600
Los Altos, City	LOSACPC001	G-NR1	17,961	\$ 7,450	\$ 2,163	\$ 548	\$ 15,449	\$ 119	\$ 25,729	\$ 2,150	\$ 2,110
Mill Valley, City	MILACPC001	G-NR1	73,760	\$ 30,593	\$ 8,883	\$ 2,252	\$ 63,444	\$ 487	\$ 105,659	\$ 8,810	\$ 8,180
Millbrae, City											
Millbrae, City	MILACPC003	G-NR1	23,372	\$ 9,694	\$ 2,815	\$ 713	\$ 20,103	\$ 154	\$ 33,480	\$ 2,790	\$ 2,480
Millbrae WWTP	MILACPC004	G-NR1	0	\$ -	\$ -	\$ -	\$ 480	\$ -	\$ 480	\$ 40	\$ 40
Milpitas, City	MILACPC002	G-NR1	137,761	\$ 57,138	\$ 16,591	\$ 4,205	\$ 118,495	\$ 909	\$ 197,339	\$ 16,450	\$ 16,130
Monte Sereno, City	MONACPC001	G-NR1	1,042	\$ 432	\$ 126	\$ 32	\$ 897	\$ 7	\$ 1,493	\$ 130	\$ 110
Moraga, Town	MORACPT001	G-NR1	5,083	\$ 2,108	\$ 612	\$ 155	\$ 4,372	\$ 34	\$ 7,281	\$ 610	\$ 550
Napa, County											
Napa County001	NAPACPN001	G-NR1	0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 140
Napa County002	NAPACPN002	G-NR1	0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Napa County004	NAPACPN004	G-NR1	0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Napa County005	NAPACPN005	G-NR1	103,209	\$ 42,807	\$ 12,430	\$ 3,151	\$ 88,775	\$ 681	\$ 147,844	\$ 12,330	\$ 8,620
Oakland, City											
Oakland, City	OAKACPC001	G-NR1	624,420	\$ 258,985	\$ 75,201	\$ 19,062	\$ 537,095	\$ 4,122	\$ 894,464	\$ 74,540	\$ 67,870
Oakland Zoological	OAKACPC002	G-NR1	11,865	\$ 4,921	\$ 1,429	\$ 362	\$ 10,206	\$ 78	\$ 16,996	\$ 1,420	\$ 1,330
Orinda, City	ORACPC001	G-NR1	27,820	\$ 11,539	\$ 3,350	\$ 849	\$ 23,930	\$ 184	\$ 39,852	\$ 3,330	\$ 2,700
Pacifica, City	PACACPC001	G-NR1	24,700	\$ 10,245	\$ 2,975	\$ 754	\$ 21,246	\$ 163	\$ 35,382	\$ 2,950	\$ 2,590
Petaluma, City	PETACPC001	G-NR1	23,855	\$ 9,894	\$ 2,873	\$ 728	\$ 20,519	\$ 157	\$ 34,172	\$ 2,850	\$ 2,420
Pleasanton, City	PLEACPC001	G-NR1	169,328	\$ 70,230	\$ 20,393	\$ 5,169	\$ 145,647	\$ 1,118	\$ 242,557	\$ 20,220	\$ 19,620
Regional Admin. Facility	RAFACPC001	G-NR1	0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,870
Richmond, City	RICACPC001	G-NR1	338,664	\$ 140,464	\$ 40,787	\$ 10,338	\$ 291,302	\$ 2,236	\$ 485,127	\$ 40,430	\$ 39,060
Salinas, City	SALACPC001	G-NR1	162,600	\$ 67,440	\$ 19,583	\$ 4,964	\$ 139,860	\$ 1,073	\$ 232,920	\$ 19,420	\$ 19,030
San Carlos, City	SANACPC003	G-NR1	24,185	\$ 10,031	\$ 2,913	\$ 738	\$ 20,802	\$ 160	\$ 34,644	\$ 2,890	\$ 2,640

			ABAG POWER Operating Costs		PG&E Costs		
			Gas Commodity and Transportation Cost	Program Expenses	Gas Storage Costs	PG&E Pass-through Costs	Distribution Shrinkage
Core Rates	Small Commercial	G-NR1				\$ 0.860	
	Large Commercial	G-NR2	\$ 0.415	\$ 0.120	\$ 0.031	\$ 0.669	\$ 0.0159
	Residential	G-1/GM				\$ 0.887	
Noncore Rate	Electric Generation	G-NT	\$ 0.415	\$ 0.120	\$ -	\$ -	\$ 0.001

Member Agency	Master Account	Predominant Load Schedule	Estimated Annual Usage	Gas Commodity and Transportation Cost	Program Expenses	Gas Storage Costs	PG&E Pass-through Costs	Distribution Shrinkage	Total Annual Cost Estimate	FY 21-22 Monthly Levelized Charge	FY 20-21 Monthly Levelized Charge
San Mateo County											
San Mateo County006	SANACPC006	G-NR1	336,678	\$ 139,641	\$ 40,548	\$ 10,278	\$ 289,594	\$ 2,223	\$ 482,282	\$ 40,200	\$ 34,400
San Mateo County007	SANACPC007	G-NR2	166,458	\$ 69,040	\$ 20,047	\$ 5,081	\$ 111,367	\$ 1,099	\$ 206,635	\$ 17,220	\$ 17,510
San Mateo County008	SANACPC008	G-NR1	4,903	\$ 2,033	\$ 590	\$ 150	\$ 4,217	\$ 32	\$ 7,023	\$ 590	\$ 660
San Mateo County009	SANACPC009	G-NR1	2,379	\$ 987	\$ 287	\$ 73	\$ 2,046	\$ 16	\$ 3,408	\$ 290	\$ 290
San Mateo County011	SANACPC011	G-NR1	10,865	\$ 4,506	\$ 1,308	\$ 332	\$ 9,345	\$ 72	\$ 15,563	\$ 1,300	\$ 1,010
San Mateo County013	SANACPC013	G-NR1	0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,670
San Mateo County015	SANACPC015	G-NR1	82,298	\$ 34,134	\$ 9,911	\$ 2,512	\$ 70,788	\$ 543	\$ 117,889	\$ 9,830	\$ 7,010
San Mateo County016	SANACPC016	G-NR1	6,350	\$ 2,634	\$ 765	\$ 194	\$ 5,462	\$ 42	\$ 9,096	\$ 760	\$ 730
San Rafael, City	SANACPC001	G-NR1	60,968	\$ 25,287	\$ 7,343	\$ 1,861	\$ 52,442	\$ 402	\$ 87,335	\$ 7,280	\$ 6,870
Santa Clara, County	SANACPN001	G-NR1	810,977	\$ 336,361	\$ 97,669	\$ 24,757	\$ 697,562	\$ 5,354	\$ 1,161,703	\$ 96,810	\$ 83,240
Santa Rosa, City	SANACPC005	G-NR1	258,127	\$ 107,061	\$ 31,087	\$ 7,880	\$ 222,028	\$ 1,704	\$ 369,760	\$ 30,820	\$ 27,010
Saratoga, City	SARACPC001	G-NR1	10,433	\$ 4,327	\$ 1,257	\$ 318	\$ 8,974	\$ 69	\$ 14,945	\$ 1,250	\$ 1,300
Union City	UNIACPC001	G-NR1	10,569	\$ 4,384	\$ 1,273	\$ 323	\$ 9,091	\$ 70	\$ 15,140	\$ 1,270	\$ 1,060
Vallejo, City	VALACPC001	G-NR1	68,832	\$ 28,549	\$ 8,290	\$ 2,101	\$ 59,206	\$ 454	\$ 98,599	\$ 8,220	\$ 12,440
Vallejo Sani.& Flood Control Dist	VALACPD001	G-NR1	93,723	\$ 38,872	\$ 11,287	\$ 2,861	\$ 80,615	\$ 619	\$ 134,255	\$ 11,190	\$ 8,740
Watsonville, City	WATACPC001	G-NR1	65,847	\$ 27,311	\$ 7,930	\$ 2,010	\$ 56,638	\$ 435	\$ 94,324	\$ 7,870	\$ 6,820
Winters, City	WINACPC001	G-NR1	3,056	\$ 1,267	\$ 368	\$ 93	\$ 2,628	\$ 20	\$ 4,377	\$ 370	\$ 310
Total - Core			5,581,013	\$ 2,314,783	\$ 672,144	\$ 170,371	\$ 4,770,212	\$ 36,844	\$ 7,964,354	\$ 663,910	\$ 598,730
Rate (\$/therm)				\$ 0.415	\$ 0.120	\$ 0.031	\$ 0.855	\$ 0.007			
Noncore Accounts											
San Mateo, County	SANACPC014	G-NT	329,140	\$ 136,514	\$ 39,640	\$ -	\$ -	\$ 137	\$ 176,290	\$ 14,700	\$ 13,040
Santa Rosa, City	SANACPC012	G-NT	433,264	\$ 179,701	\$ 52,180	\$ -	\$ -	\$ 180	\$ 232,060	\$ 19,340	\$ 12,520
Watsonville, City	WATACPC002	G-NT	148,778	\$ 61,707	\$ 17,918	\$ -	\$ -	\$ 62	\$ 79,687	\$ 6,650	\$ 5,580
Total - Noncore			911,182	\$ 377,922	\$ 109,737	\$ -	\$ -	\$ 378	\$ 488,037	\$ 40,690	\$ 31,140
Rate (\$/therm)				\$ 0.415	\$ 0.120	\$ -	\$ -	\$ 0.000			
GRAND TOTAL			6,492,195	\$ 2,692,705	\$ 781,881	\$ 170,371	\$ 4,770,212	\$ 37,222	\$ 8,452,391	\$ 704,600	\$ 629,870



S U M M A R Y O F E X E C U T I V E C O M M I T T E E A P P R O V A L

Work Item No.:	1707
Consultant:	N/A
Work Project Title:	ABAG POWER
Purpose of Project:	Purchase/transport of natural gas
Brief Scope of Work:	Enable price stability and cost savings by conducting pooled purchasing of natural gas on behalf of local governments.
Project Cost Not to Exceed:	\$8,469,400
Funding Source:	Program Participant Fees
Fiscal Impact:	Funds programmed in FY 21/22 Budget
Motion by Committee:	The ABAG POWER Executive Committee authorizes a Fiscal Year 2021-22 Operating Budget and approves the accompanying Levelized Charges in the amount of \$8,469,400 as detailed on Page 2, 3, and 4.
Executive Committee Approval:	Dave Brees Chair, Executive Committee
Approval Date:	June 17, 2021

Agenda Item 9.c. – Summary Approval – FY 2021-22 ABAG POWER Operating Budget

June 17, 2021

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	Adopted FY 2020-21
Revenue	
Sale of Energy	\$8,455,200
Interest Income	\$5,000
Other Revenue	\$9,200
<i>Total Revenue</i>	<u>\$8,469,400</u>
Expense	
Cost of Energy	
PG&E Pass-through Costs*	\$4,770,212
Gas Commodity & Shrinkage Costs	\$2,175,311
Intra/Interstate Pipeline Transportation*	\$554,615
Gas Storage	\$170,371
<i>Total Cost of Energy</i>	<u>\$7,670,510</u>
Staff Cost	
Salary & Benefits	\$276,473
Overhead	\$138,403
<i>Total Staff Cost</i>	<u>\$414,876</u>
Consultant Services	
Program Design Services	\$150,000
Gas Scheduling Services	\$106,800
Database Hosting Services*	\$18,545
Brokerage Services*	\$12,000
Electronic Data Interchange Services	\$7,750
<i>Total Consultant Services</i>	<u>\$295,095</u>
Other Expenses	
Audit	\$70,000
Bank Charges	\$9,500
Catering	\$1,500
Market Pricing Subscriptions	\$1,660
Travel	\$1,000
Industry Memberships & Conferences	\$1,450
Insurance	\$700
Miscellaneous	\$300
<i>Total Other Expense</i>	<u>\$86,110</u>
Total Expense	<u>\$8,466,591</u>
Year-end Balance	<u>\$2,809</u>

*The following estimates shall serve as actionable contract encumbrances or purchase orders for Fiscal Year 2021-22, pursuant to existing contractual obligations:

<u>Counterparty</u>	<u>Expense Category</u>	<u>Amount</u>
Pacific Gas and Electric Company	PG&E Passthrough	\$4,770,212.00
Pacific Gas and Electric Company	Intra/Interstate Pipeline Transportation	\$516,000.00
TC Energy Gas Transmission Northwest	Intra/Interstate Pipeline Transportation	\$100,000.00
TC Energy NOVA Gas Transmission Ltd.	Intra/Interstate Pipeline Transportation	\$50,000.00
Dude Solutions, Inc.	Database Hosting Services	\$18,545
Charter Brokerage, Inc.	Brokerage Services	\$12,000

			ABAG POWER Operating Costs		PG&E Costs		
			Gas Commodity and Transportation Cost	Program Expenses	Gas Storage Costs	PG&E Pass-through Costs	Distribution Shrinkage
Core Rates	Small Commercial	G-NR1				\$ 0.860	
	Large Commercial	G-NR2	\$ 0.415	\$ 0.120	\$ 0.031	\$ 0.669	\$ 0.0159
	Residential	G-1/GM				\$ 0.887	
Noncore Rate	Electric Generation	G-NT	\$ 0.415	\$ 0.120	\$ -	\$ -	\$ 0.001

Member Agency	Master Account	Predominant Load Schedule	Estimated Annual Usage	Gas Commodity and Transportation Cost	Program Expenses	Gas Storage Costs	PG&E Pass-through Costs	Distribution Shrinkage	Total Annual Cost Estimate	FY 21-22 Monthly Levelized Charge	FY 20-21 Monthly Levelized Charge
Alameda, City											
Alameda, City	ALAACPC001	G-NR1	51,357	\$ 21,301	\$ 6,185	\$ 1,568	\$ 44,175	\$ 339	\$ 73,568	\$ 6,140	\$ 5,370
Alameda Municipal Power	ALAACPC002	G-NR1	473	\$ 196	\$ 57	\$ 14	\$ 407	\$ 3	\$ 677	\$ 60	\$ 60
Alameda City Housing Authority	ALAACPC003	G-1/G-M	34,912	\$ 14,480	\$ 4,205	\$ 1,066	\$ 30,969	\$ 230	\$ 50,950	\$ 4,250	\$ 4,630
Albany, City	ALBACPC001	G-NR1	10,919	\$ 4,529	\$ 1,315	\$ 333	\$ 9,392	\$ 72	\$ 15,642	\$ 1,310	\$ 1,200
Atherton, Town	ATHACPT001	G-1/G-M	3,585	\$ 1,487	\$ 432	\$ 109	\$ 3,180	\$ 24	\$ 5,231	\$ 440	\$ 470
Benicia, City	BENACPC001	G-NR1	69,241	\$ 28,718	\$ 8,339	\$ 2,114	\$ 59,557	\$ 457	\$ 99,185	\$ 8,270	\$ 7,100
Contra Costa, County	CONACPN001	G-NR1	1,292,733	\$ 536,174	\$ 155,689	\$ 39,463	\$ 1,111,944	\$ 8,534	\$ 1,851,805	\$ 154,320	\$ 131,280
Cupertino, City	CUPACPC001	G-NR1	33,325	\$ 13,822	\$ 4,013	\$ 1,017	\$ 28,664	\$ 220	\$ 47,737	\$ 3,980	\$ 4,290
Fremont, City	FREACPC001	G-NR1	199,886	\$ 82,905	\$ 24,073	\$ 6,102	\$ 171,932	\$ 1,320	\$ 286,331	\$ 23,870	\$ 19,150
Golden Gate Bridge, H&TD	GOLACP001	G-NR1	60,373	\$ 25,040	\$ 7,271	\$ 1,843	\$ 51,930	\$ 399	\$ 86,483	\$ 7,210	\$ 6,240
Gonzales, City	GONACPC001	G-NR1	8,417	\$ 3,491	\$ 1,014	\$ 257	\$ 7,240	\$ 56	\$ 12,057	\$ 1,010	\$ 1,550
Half Moon Bay, City	HALACPC001	G-NR1	1,878	\$ 779	\$ 226	\$ 57	\$ 1,616	\$ 12	\$ 2,691	\$ 230	\$ 230
Hercules, City	HERACPC001	G-NR1	51,829	\$ 21,497	\$ 6,242	\$ 1,582	\$ 44,581	\$ 342	\$ 74,244	\$ 6,190	\$ 1,600
Los Altos, City	LOSACPC001	G-NR1	17,961	\$ 7,450	\$ 2,163	\$ 548	\$ 15,449	\$ 119	\$ 25,729	\$ 2,150	\$ 2,110
Mill Valley, City	MILACPC001	G-NR1	73,760	\$ 30,593	\$ 8,883	\$ 2,252	\$ 63,444	\$ 487	\$ 105,659	\$ 8,810	\$ 8,180
Millbrae, City											
Millbrae, City	MILACPC003	G-NR1	23,372	\$ 9,694	\$ 2,815	\$ 713	\$ 20,103	\$ 154	\$ 33,480	\$ 2,790	\$ 2,480
Millbrae WWTP	MILACPC004	G-NR1	0	\$ -	\$ -	\$ -	\$ 480	\$ -	\$ 480	\$ 40	\$ 40
Milpitas, City	MILACPC002	G-NR1	137,761	\$ 57,138	\$ 16,591	\$ 4,205	\$ 118,495	\$ 909	\$ 197,339	\$ 16,450	\$ 16,130
Monte Sereno, City	MONACPC001	G-NR1	1,042	\$ 432	\$ 126	\$ 32	\$ 897	\$ 7	\$ 1,493	\$ 130	\$ 110
Moraga, Town	MORACPT001	G-NR1	5,083	\$ 2,108	\$ 612	\$ 155	\$ 4,372	\$ 34	\$ 7,281	\$ 610	\$ 550
Napa, County											
Napa County001	NAPACPN001	G-NR1	0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 140
Napa County002	NAPACPN002	G-NR1	0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Napa County004	NAPACPN004	G-NR1	0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Napa County005	NAPACPN005	G-NR1	103,209	\$ 42,807	\$ 12,430	\$ 3,151	\$ 88,775	\$ 681	\$ 147,844	\$ 12,330	\$ 8,620
Oakland, City											
Oakland, City	OAKACPC001	G-NR1	624,420	\$ 258,985	\$ 75,201	\$ 19,062	\$ 537,095	\$ 4,122	\$ 894,464	\$ 74,540	\$ 67,870
Oakland Zoological	OAKACPC002	G-NR1	11,865	\$ 4,921	\$ 1,429	\$ 362	\$ 10,206	\$ 78	\$ 16,996	\$ 1,420	\$ 1,330
Orinda, City	ORIACPC001	G-NR1	27,820	\$ 11,539	\$ 3,350	\$ 849	\$ 23,930	\$ 184	\$ 39,852	\$ 3,330	\$ 2,700
Pacifica, City	PACACPC001	G-NR1	24,700	\$ 10,245	\$ 2,975	\$ 754	\$ 21,246	\$ 163	\$ 35,382	\$ 2,950	\$ 2,590
Petaluma, City	PETACPC001	G-NR1	23,855	\$ 9,894	\$ 2,873	\$ 728	\$ 20,519	\$ 157	\$ 34,172	\$ 2,850	\$ 2,420
Pleasanton, City	PLEACPC001	G-NR1	169,328	\$ 70,230	\$ 20,393	\$ 5,169	\$ 145,647	\$ 1,118	\$ 242,557	\$ 20,220	\$ 19,620
Regional Admin. Facility	RAFACPC001	G-NR1	0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,870
Richmond, City	RICACPC001	G-NR1	338,664	\$ 140,464	\$ 40,787	\$ 10,338	\$ 291,302	\$ 2,236	\$ 485,127	\$ 40,430	\$ 39,060
Salinas, City	SALACPC001	G-NR1	162,600	\$ 67,440	\$ 19,583	\$ 4,964	\$ 139,860	\$ 1,073	\$ 232,920	\$ 19,420	\$ 19,030
San Carlos, City	SANACPC003	G-NR1	24,185	\$ 10,031	\$ 2,913	\$ 738	\$ 20,802	\$ 160	\$ 34,644	\$ 2,890	\$ 2,640

			ABAG POWER Operating Costs		PG&E Costs		
			Gas Commodity and Transportation Cost	Program Expenses	Gas Storage Costs	PG&E Pass-through Costs	Distribution Shrinkage
Core Rates	Small Commercial	G-NR1				\$ 0.860	
	Large Commercial	G-NR2	\$ 0.415	\$ 0.120	\$ 0.031	\$ 0.669	\$ 0.0159
	Residential	G-1/GM				\$ 0.887	
Noncore Rate	Electric Generation	G-NT	\$ 0.415	\$ 0.120	\$ -	\$ -	\$ 0.001

Member Agency	Master Account	Predominant Load Schedule	Estimated Annual Usage	Gas Commodity and Transportation Cost	Program Expenses	Gas Storage Costs	PG&E Pass-through Costs	Distribution Shrinkage	Total Annual Cost Estimate	FY 21-22 Monthly Levelized Charge	FY 20-21 Monthly Levelized Charge
San Mateo County											
San Mateo County006	SANACPC006	G-NR1	336,678	\$ 139,641	\$ 40,548	\$ 10,278	\$ 289,594	\$ 2,223	\$ 482,282	\$ 40,200	\$ 34,400
San Mateo County007	SANACPC007	G-NR2	166,458	\$ 69,040	\$ 20,047	\$ 5,081	\$ 111,367	\$ 1,099	\$ 206,635	\$ 17,220	\$ 17,510
San Mateo County008	SANACPC008	G-NR1	4,903	\$ 2,033	\$ 590	\$ 150	\$ 4,217	\$ 32	\$ 7,023	\$ 590	\$ 660
San Mateo County009	SANACPC009	G-NR1	2,379	\$ 987	\$ 287	\$ 73	\$ 2,046	\$ 16	\$ 3,408	\$ 290	\$ 290
San Mateo County011	SANACPC011	G-NR1	10,865	\$ 4,506	\$ 1,308	\$ 332	\$ 9,345	\$ 72	\$ 15,563	\$ 1,300	\$ 1,010
San Mateo County013	SANACPC013	G-NR1	0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,670
San Mateo County015	SANACPC015	G-NR1	82,298	\$ 34,134	\$ 9,911	\$ 2,512	\$ 70,788	\$ 543	\$ 117,889	\$ 9,830	\$ 7,010
San Mateo County016	SANACPC016	G-NR1	6,350	\$ 2,634	\$ 765	\$ 194	\$ 5,462	\$ 42	\$ 9,096	\$ 760	\$ 730
San Rafael, City	SANACPC001	G-NR1	60,968	\$ 25,287	\$ 7,343	\$ 1,861	\$ 52,442	\$ 402	\$ 87,335	\$ 7,280	\$ 6,870
Santa Clara, County	SANACPN001	G-NR1	810,977	\$ 336,361	\$ 97,669	\$ 24,757	\$ 697,562	\$ 5,354	\$ 1,161,703	\$ 96,810	\$ 83,240
Santa Rosa, City	SANACPC005	G-NR1	258,127	\$ 107,061	\$ 31,087	\$ 7,880	\$ 222,028	\$ 1,704	\$ 369,760	\$ 30,820	\$ 27,010
Saratoga, City	SARACPC001	G-NR1	10,433	\$ 4,327	\$ 1,257	\$ 318	\$ 8,974	\$ 69	\$ 14,945	\$ 1,250	\$ 1,300
Union City	UNIACPC001	G-NR1	10,569	\$ 4,384	\$ 1,273	\$ 323	\$ 9,091	\$ 70	\$ 15,140	\$ 1,270	\$ 1,060
Vallejo, City	VALACPC001	G-NR1	68,832	\$ 28,549	\$ 8,290	\$ 2,101	\$ 59,206	\$ 454	\$ 98,599	\$ 8,220	\$ 12,440
Vallejo Sani.& Flood Control Dist	VALACPD001	G-NR1	93,723	\$ 38,872	\$ 11,287	\$ 2,861	\$ 80,615	\$ 619	\$ 134,255	\$ 11,190	\$ 8,740
Watsonville, City	WATACPC001	G-NR1	65,847	\$ 27,311	\$ 7,930	\$ 2,010	\$ 56,638	\$ 435	\$ 94,324	\$ 7,870	\$ 6,820
Winters, City	WINACPC001	G-NR1	3,056	\$ 1,267	\$ 368	\$ 93	\$ 2,628	\$ 20	\$ 4,377	\$ 370	\$ 310
Total - Core			5,581,013	\$ 2,314,783	\$ 672,144	\$ 170,371	\$ 4,770,212	\$ 36,844	\$ 7,964,354	\$ 663,910	\$ 598,730
Rate (\$/therm)				\$ 0.415	\$ 0.120	\$ 0.031	\$ 0.855	\$ 0.007			
Noncore Accounts											
San Mateo, County	SANACPC014	G-NT	329,140	\$ 136,514	\$ 39,640	\$ -	\$ -	\$ 137	\$ 176,290	\$ 14,700	\$ 13,040
Santa Rosa, City	SANACPC012	G-NT	433,264	\$ 179,701	\$ 52,180	\$ -	\$ -	\$ 180	\$ 232,060	\$ 19,340	\$ 12,520
Watsonville, City	WATACPC002	G-NT	148,778	\$ 61,707	\$ 17,918	\$ -	\$ -	\$ 62	\$ 79,687	\$ 6,650	\$ 5,580
Total - Noncore			911,182	\$ 377,922	\$ 109,737	\$ -	\$ -	\$ 378	\$ 488,037	\$ 40,690	\$ 31,140
Rate (\$/therm)				\$ 0.415	\$ 0.120	\$ -	\$ -	\$ 0.000			
GRAND TOTAL			6,492,195	\$ 2,692,705	\$ 781,881	\$ 170,371	\$ 4,770,212	\$ 37,222	\$ 8,452,391	\$ 704,600	\$ 629,870