

ABAG Publicly Owned Energy Resources (ABAG POWER)

Executive Committee

December 11, 2019

Agenda Item 3.b.1

Natural Gas Aggregation Program

Subject: Authorization to amend a purchase order with TC Energy Gas Transmission Northwest in an amount not to exceed \$62,000 through June 30, 2020

Background: At its June 2018 meeting, the ABAG POWER Executive Committee authorized the Metropolitan Transportation Commission Executive Director to negotiate and enter into necessary agreements for the potential future purchase and transport of natural gas from locations within Canada. Acceptance of capacity along four pipelines is required to transport gas to PG&E's local system.¹ ABAG POWER's current operating budget includes an estimate for the cost of transporting gas along each pipeline.

The current purchase order for Gas Transmission Northwest (GTN) represents a cost estimate (\$43,000) for the first half of Fiscal Year 2019-20. The purchase order must be amended to incorporate anticipated costs for the second half of the year, in which the majority of costs are incurred.

The policies of the Association of the Bay Area Governments (ABAG) provide that contracts exceeding \$50,000 must be approved by the body's respective governing board.

Issues: 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 purchase order with TC Energy Gas Transmission Northwest in an amount not to exceed \$62,000, for gas transportation services through June 30, 2020, for a total contracted amount of \$105,000.

Attachment: None.

Reviewed:


Brad Paul

¹ NOVA Gas Transmission Ltd (Alberta, Canada); Foothills Pipe Lines Ltd (British Columbia, Canada); Gas Transmission Northwest (Idaho, Washington, and Oregon); Redwood (California).