

## ABAG Publicly Owned Energy Resources (ABAG POWER)

### Executive Committee

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February 19, 2020

Agenda Item 5.a.

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### Report on Natural Gas Program

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**Subject:** Monthly Summary of Operations

**Background:** During the current fiscal year, natural gas prices have seen modest volatility. From July through December, daily prices per dekatherm at PG&E's Citygate have ranged from \$1.95 to \$3.94, averaging \$3.01.

PG&E's small commercial procurement rate (G-NR1) – the rate under which most ABAG POWER accounts would be categorized – averaged \$3.12.

The program continues to purchase gas exclusively in daily and monthly markets within California, Oregon, and Alberta, Canada.

Preliminary (unaudited) financial statements through December 2019 indicate a cumulative savings figure of -5.8% when compared to PG&E's G-NR1 rate.

**Issues:** None.

**Recommended Action:** None.

**Attachment:** Monthly Summary of Operations, FY 2019-20

**Reviewed:**

DocuSigned by:  
  
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Brad Paul

	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q
2				Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Total
4	Gas Purchases <sup>(1)</sup>															
5		Purchase 1 - Oregon	Qty	19,368	18,684	18,585	19,082	15,000	15,496							106,215
6			Price	\$2.00	\$2.04	\$1.90	\$2.08	\$2.36	\$3.55							
7																
8		Purchase 2 - California	Qty	2,900	0	8,505	16,800	18,250	19,500							65,955
9			Price	\$2.58	\$0.00	\$3.05	\$3.19	\$3.38	\$3.40							
10																
11		Purchase 3 - Canada	Qty	26,655	26,314	25,228	25,340	20,020	22,165							145,722
12			Price	\$0.54	\$0.90	\$0.95	\$1.33	\$1.89	\$2.12							
13																
16		Total Quantity Purchased		48,923	44,998	52,318	61,222	53,270	57,161	0	0	0	0	0	0	317,892
17		Total Gas Purchase Cost	\$	60,620	\$ 61,924	\$ 85,043	\$ 127,019	\$ 134,849	\$ 168,324	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$637,779
18		Total Transportation Cost	\$	31,796	\$ 31,222	\$ 31,329	\$ 35,034	\$ 26,891	\$ 30,777							\$187,048
19		Backbone Shrinkage (Dths)		(1,421)	(1,561)	(1,389)	(1,424)	(1,211)	(1,270)							(8,275)
20		WACOG <sup>(2)</sup>	\$	1.95	\$ 2.14	\$ 2.28	\$ 2.71	\$ 3.11	\$ 3.56							\$2.66
21																
22	Storage/Inventory															
23		Total Injections/Withdrawals (Dth)		10,033	11,029	3,101	9,769	3,770	(20,350)							17,352
24		Total Inventory Quantity (Dths)		30,029	41,058	44,159	53,928	57,698	37,348							
25		Total Inventory Value	\$	49,700	\$ 73,911	\$ 81,417	\$ 106,040	\$ 119,843	\$ 77,574							
26		Net Inventory Change in Value	\$	9,101	\$ 24,211	\$ 7,506	\$ 24,623	\$ 13,803	\$ (42,268)							\$ 36,975
27		Avg. Inventory Rate (\$/Dth)	\$	1.66	\$ 1.80	\$ 1.84	\$ 1.97	\$ 2.08	\$ 2.08							
28		Monthly Storage Cost (\$)	\$	11,994	\$ 11,994	\$ 11,994	\$ 19,255	\$ 19,255	\$ 19,255							
29																
30	Gas Program Monthly Expenses															
31		Cost of Energy Used <sup>(3)</sup>	\$	95,309	\$ 80,929	\$ 120,860	\$ 156,685	\$ 167,191	\$ 260,623							\$ 881,598
32		Staff Cost		15,416	16,566	20,076	19,198	85,687	26,355							\$ 183,297
33		Professional Fees & Related <sup>(4)</sup>		9,722	33,659	2,891	11,674	4,593	4,006							66,545
34		Subtotal		120,447	131,154	143,828	187,557	257,471	290,985	-	-	-	-	-	-	\$ 1,131,441
35		Rate (\$/Dth)		\$3.38	\$3.50	\$3.31	\$3.39	\$4.23	\$3.52							\$3.59
36																
37		PG&E Pass-through Costs <sup>(5)</sup>		187,976	180,831	231,820	188,757	369,289	461,613							1,620,286
38		Total ABAG POWER Cost	\$	308,423	\$ 311,985	\$ 375,648	\$ 376,314	\$ 626,760	\$ 752,598							\$ 2,751,727
39																
40	Actual (metered) Gas Usage															
41		Core <sup>(6)</sup>		29,396	27,262	31,931	43,352	54,336	73,820							260,097
42		Non Core		6,213	10,182	11,503	11,903	6,580	8,794							55,174
43		Total Program Usage		35,609	37,444	43,434	55,255	60,915	82,614	0	0	0	0	0	0	315,271
44																
45	ABAG POWER Total Core Rate			\$ 9.78	\$ 10.14	\$ 10.57	\$ 7.75	\$ 11.02	\$ 9.78							
46																
47																
48	PG&E Rate <sup>(7)</sup>															
49		Procurement Charge <sup>(8)</sup>		2.69	2.85	2.41	2.55	3.13	3.82	4.37	4.27					
50		Transportation/Other Charge <sup>(9)</sup>		6.39	6.63	7.26	4.35	6.80	6.25							
51		Total PG&E Rate	\$	9.08	\$ 9.48	\$ 9.67	\$ 6.90	\$ 9.93	\$ 10.07	\$ 4.37	\$ 4.27	\$ -	\$ -	\$ -	\$ -	
52																
53	Monthly Index Postings															
54		NGI Bidweek for PG&E Citygate		\$2.74	\$2.78	\$2.73	\$2.07	\$3.18	\$4.03	\$3.54	\$2.73					
55		Gas Daily Avg. for PG&E Citygate		\$2.54	\$2.60	\$3.03	\$3.15	\$3.36	\$3.38	\$2.96						
56		NGI Bidweek for Malin		\$2.00	\$2.04	\$1.89	\$2.06	\$2.35	\$3.53	\$3.22	\$1.97					
57		AB-NIT Month Ahead (7A US)		\$0.53	\$0.90	\$0.94	\$1.33	\$1.87	\$2.10	\$1.87	\$1.68					
58																

[illegible]