ABAG Publicly Owned Energy Resources (ABAG POWER)

Executive Committee

May 28, 2020 Agenda Item 5.a.2

Report on Natural Gas Program

Subject: Monthly Summary of Operations

Background: During the current fiscal year, natural gas prices have seen

modest volatility, with prices trending downward compared to prior years. From July 2019 through March 2020, daily prices per dekatherm at PG&E's Citygate have ranged from \$1.95 to \$3.94,

averaging \$2.91, low by historic standards.

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

- averaged \$3.26 over the same time period.

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

Preliminary (unaudited) financial statements through March 2020 indicate a cumulative savings figure of -2.4% when compared to

PG&E's G-NR1 rate.

Issues: None.

Recommended Action: None.

Attachment: Monthly Summary of Operations, FY 2019-20

-DocuSigned by:

Reviewed: 5/13/2020

Brad Paul

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2		•	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20 N	lay-20	Jun-20	Total
4	Gas Purchases ⁽¹⁾														
5	Purchase 1 - Oregon	Qty	19,368	18,684	18,585	19,082	15,000	15,496	15,500	14,494	18,577				154,786
6		Price	\$2.00	\$2.04	\$1.90	\$2.08	\$2.36	\$3.55	\$3.24	\$1.99	\$1.61				
7															
8	Purchase 2 - California	Qty	2,900	0	8,505	16,800	18,250	19,500	28,800	36,750	16,200				147,705
9		Price	\$2.58	\$0.00	\$3.05	\$3.19	\$3.38	\$3.40	\$3.03	\$2.67	\$2.59				
10	Dunch 2 O d-	04.	00.055	00.044	05.000	05.040	00.000	00.405	00.405	00.705	05.007				040.050
11 12	Purchase 3 - Canada	Qty Price	26,655 \$0.54	26,314 \$0.90	25,228 \$0.95	25,340 \$1.33	20,020 \$1.89	22,165 \$2.12	22,165 \$1.88	20,735 \$1.70	25,337 \$1.36				213,959 87368
13		riice	φ0.54	\$0.90	φ0.95	φ1.33	\$1.09	Ψ2.12	φ1.00	\$1.70	φ1.30				07300
16	Total Quantity Purchased		48.923	44.998	52.318	61.222	53,270	57,161	66.465	71,979	60.114	0	0	0	516,450
17	Total Gas Purchase Cost		\$ 60.620 \$,		127.019 \$	134.849 \$	168.324 \$,		106.546 \$	- \$	- \$	-	\$1.085.566
18	Total Transportation Cost		\$ 31,796 \$			35,034 \$	26,891 \$,		. ,	33,158	•	,		\$301,058
19	Backbone Shrinkage (Dths)		(1,421)	(1,561)	(1,389)	(1,424)	(1,211)	(1,270)	(1,398)	(1,348)	(1,467)				(12,488)
20	WACOG ⁽²⁾		\$ 1.95 \$	2.14 \$	2.28 \$	2.71 \$	3.11 \$	3.56 \$	3.38 \$	2.87 \$	2.38				\$2.75
21															
	Storage/Inventory														
23	Total Injections/Withdrawals (Dth	٦)	10,033	11,029	3,101	9,769	3,770	(20,350)	(15,500)	(5,660)	(9,476)				(13,284)
24	Total Inventory Quantity (Dths)		30,029	41,058	44,159	53,928	57,698	37,348	21,848	16,188	6,712				
25	Total Inventory Value		\$ 49,700 \$			106,040 \$	119,843 \$	77,574 \$			13,941				
25 26 27	Net Inventory Change in Value		\$ 9,101 \$, ,		24,623 \$	13,803 \$	(42,268) \$			(19,682)				(26,658)
27	Avg. Inventory Rate (\$/Dth)		\$ 1.66 \$			1.97 \$	2.08 \$	2.08 \$			2.08				150 140
28	PG&E Monthly Storage Cost (\$) ISP Monthly Storage Cost (\$)		\$ 11,994 \$ \$ - \$			19,255 \$ - \$	19,255 \$ - \$				21,468				158,149
28 29 30	ior Monthly Storage Cost (φ)		φ - ψ	- ψ	- ψ	- ψ	- ψ	- ψ	- ψ	- ψ	-				-
	Gas Program Monthly Expenses														
32	Cost of Energy Used ⁽³⁾		\$ 95,309 \$	80,929 \$	120,860 \$	156,685 \$	167,191 \$	260,623 \$	273,268 \$	235,711 \$	180,854				1,571,431
	Staff Cost										•				
33			15,416	16,566	20,076	19,198	85,687	26,355	22,435	23,852	23,828				253,412
34	Professional Fees & Related ⁽⁴⁾		9,722	33,659	3,554	11,674	4,593	4,006	10,935	20,399	2,924				101,465
35 36	Subtota		120,447	131,154	144,490	187,557	257,471	290,985	306,637	279,962	207,606	-	-	- :	, ,
36	Rate (\$/Dth)	\$3.36	\$3.56	\$3.44	\$3.49	\$4.29	\$3.70	\$3.73	\$4.32	\$3.35				\$3.73
37	(5)														
38	PG&E Pass-through Costs ⁽⁵⁾		139,675	180,831	231,820	188,757	369,289	314,558	929,675	704,640	478,400			•	3,537,645
39	Total ABAG POWER Cos	t	\$ 260,122 \$	311,985 \$	376,310 \$	376,314 \$	626,760 \$	605,543 \$	1,236,312 \$	984,602 \$	686,006				5,463,953
40															
	Actual (metered) Gas Usage														
42	Core ⁽⁶⁾		29,611	26,630	30,515	41,862	53,426	69,829	74,712	57,693	55,070				439,348
43	Non Core		6,213	10,182	11,503	11,903	6,580	8,794	7,507	7,188	6,985				<u>76,854</u>
44	Total Program Usage		35,824	36,812	42,018	53,765	60,006	78,623	82,219	64,881	62,055	0	0	0	516,202
45	*D*** DOWED T * * * * * * * * * * * * * * * * * *			10.05	44.04.0	0.00	44.00	0.04	10.17	40.50	10.00				
	ABAG POWER Total Core Rate		\$ 8.08 \$	10.35 \$	11.04 \$	8.00 \$	11.20 \$	8.21 \$	16.17 \$	16.53 \$	12.03				
47															
48	DOSE D 4 (7)														
	PG&E Rate ⁽⁷⁾														
50	Procurement Charge ⁽⁸⁾		2.69	2.85	2.41	2.55	3.13	3.82	4.37	4.27	3.27	2.17	2.09		
51	Transportation/Other Charge ⁽⁹⁾		4.72	6.79	7.60	4.51	6.91	4.50	12.44	12.21	8.69				
52	Total PG&E Rate	Э	\$ 7.40 \$	9.64 \$	10.00 \$	7.06 \$	10.04 \$	8.32 \$	16.81 \$	16.48 \$	11.96 \$	2.17 \$	2.09 \$	-	
53								<u>-</u>		<u>-</u>		<u> </u>			
	Monthly Index Postings														
55	NGI Bidweek for PG&E Citygate		\$2.74	\$2.78	\$2.73	\$2.07	\$3.18	\$4.03	\$3.54	\$2.73	\$2.68	\$2.34	\$2.53		
56	Gas Daily Avg. for PG&E Cityga		\$2.54	\$2.60	\$3.03	\$3.15	\$3.36	\$3.38	\$2.96	\$2.64	\$2.55	\$2.32			
57	NGI Bidweek for Malin		\$2.00	\$2.04	\$1.89	\$2.06	\$2.35	\$3.53	\$3.22	\$1.97	\$1.61	\$1.35	\$1.66		
58	AB-NIT Month Ahead (7A US)		\$0.53	\$0.90	\$0.94	\$1.33	\$1.87	\$2.10	\$1.87	\$1.68	\$1.32	\$1.24	\$1.34		
59															

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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
60	Small Commercial (G-NR1) Rate Comparison														
61	Monthly Rate Difference (\$/Dth)		0.67	0.71	1.03	0.94	1.16	(0.12)	(0.64)	0.05	0.07				
62	Monthly Savings	\$	(19,982) \$	(18,972)	(31,502) \$	(39,253) \$	(61,914) \$	8,219 \$	47,957 \$	(2,862) \$	(3,900)				
63	Cumulative 'Savings'	\$	(19,982) \$	(38,954)	(70,456) \$	(109,710) \$	(171,624) \$	(163,405) \$	(115,448) \$	(118,310) \$	(122,210)				
66	Cumulative 'Savings'		-9.1%	-8.2%	-9.0%	-10.2%	-10.6%	-7.4%	-3.3%	-2.7%	-2.4%				
67	Additional Rate Comparisons														
68	Additional Rate Comparisons														
69	Large Commercial (G-NR2) Cumulative Savings		-13.4%	-11.9%	-12.5%	-14.2%	-15.6%	-12.2%	-7.1%	-6.1%	-5.9%				
74	Residential (G1/GM) Cumulative Savings		-6.8%	-3.0%	-3.4%	-2.9%	-5.1%	1.0%	1.8%	0.2%	0.2%				
79	Natural Gas Vehicle (G-NGV1/2) Cumulative Savings	8	-13.7%	-5.9%	-5.4%	-5.2%	-7.4%	-0.9%	0.6%	-0.6%	-0.7%				
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- ¹ All gas quantities in Dth and rates in \$/Dth. (Does not include imbalance purchases traded to storage.)
- ² Weighted Average Cost of Gas (WACOG) at PG&E Citygate
 - ³ Includes costs to transport gas to PG&E Citygate from alternate delivery points, as well as physical storage costs.
- 88 89 90 91 92 93 94 95 96 97 98 4 Includes scheduling fees, billing fees, administrative costs and misc. expenses; less interest income.
 - ⁵ PG&E charges billed to ABAG POWER via EDI process and passed through to customers. These costs do not necessarily tie directly to the actual gas usage shown above due to timing difference in reporting.
- ⁶ From billing data
 - ⁷ Based on PG&E's G-NR1 rate schedule.
 - ⁸ Includes: Procurement Charge, Capacity Charge, Brokerage Fee, Shrinkage, and Storage.
 - 9 PG&E Transportation Charge; Customer Charge, and surcharge for Public Purpose Programs. Does not include Franchise Fees and City Taxes.