

## ABAG Publicly Owned Energy Resources (ABAG POWER)

### Executive Committee

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December 8, 2020

Agenda Item 5.a.2.

### Report on Natural Gas Program

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**Subject:** Monthly Summary of Operations

**Background:** During fiscal year (FY) 2020-21, natural gas prices have been volatile, averaging significantly higher than the first half of the calendar year. From July to September 2020, daily prices per dekatherm at PG&E's Citygate ranged from \$2.03 to \$4.26, with an average of \$3.27.

PG&E's small commercial procurement rate (G-NR1) – the rate under which most ABAG POWER accounts would be categorized – averaged \$3.03 over the same time period.

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

Preliminary (unaudited) financial statements through September 2020 indicate a cumulative savings figure of -20.6% when compared to PG&E's G-NR1 rate. It is common for the program to conclude the summer season with a double-digit savings deficit due to the seasonal nature of the portfolio's usage. This year, the effect has been compounded by lower-than-average summer usage caused both by warm weather and intermittent facility closures due to COVID-19.

**Issues:** None

**Recommended Action:** None

**Attachment:** 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
				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
61	<b>Small Commercial (G-NR1) Rate Comparison</b>															
62	Monthly Rate Difference (\$/Dth)															
				2.11	1.58	1.44										
63	Monthly Savings															
			\$	(57,540)	\$	(41,554)	\$	(35,221)								
64	Cumulative 'Savings'															
			\$	(57,540)	\$	(99,094)	\$	(134,315)								
67	Cumulative 'Savings'															
				-30.9%		-27.4%		-20.6%								
68																
69	<b>Additional Rate Comparisons</b>															
70	Large Commercial (G-NR2) Cumulative Savings															
				-38.5%		-34.9%		-26.3%								
75	Residential (G1/GM) Cumulative Savings															
				-27.1%		-9.7%		-4.5%								
80	Natural Gas Vehicle (G-NGV1/2) Cumulative Savings															
				-39.4%		-15.5%		-7.3%								
85																
86																
87	Notes:															
88	<sup>1</sup> All gas quantities in Dth and rates in \$/Dth. (Does not include imbalance purchases traded to storage.)															
89	<sup>2</sup> Weighted Average Cost of Gas (WACOG) at PG&E Citygate															
90	<sup>3</sup> Includes costs to transport gas to PG&E Citygate from alternate delivery points, as well as physical storage costs.															
91	<sup>4</sup> Includes scheduling fees, billing fees, administrative costs and misc. expenses; less interest income.															
92	<sup>5</sup> 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.															
93	<sup>6</sup> From billing data															
94	<sup>7</sup> Based on PG&E's G-NR1 rate schedule.															
95	<sup>8</sup> Includes: Procurement Charge, Capacity Charge, Brokerage Fee, Shrinkage, and Storage.															
96	<sup>9</sup> PG&E Transportation Charge, Customer Charge, and surcharge for Public Purpose Programs. Does not include Franchise Fees and City Taxes.															
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98																
99																
100																