

ABAG Publicly Owned Energy Resources (ABAG POWER)

Executive Committee

December 8, 2020

Agenda Item 5.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 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:

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