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:	Brad Paul Brad Paul								

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2			L.	Jul-20	Aug-20	Sep-20	Oct-20		Nov-20		Dec-20		Jan-21		Feb-21		Mar-21		Apr-21	1	May	-21	Ju	ın-21		Total
	Gas Purchases ⁽¹⁾																									
5	Purchase 1 - Oregon	Qty		17,133	17,360	16,734																				51,227
6		Price		\$1.51	\$1.74	\$2.48																				
7	Purchase 2 - California	Ohr		0	-7,200	5,000																				-2,200
9	Purchase 2 - California	Qty Price		0	-7,200 \$3.40	5,000 \$3.97																				-2,200
10		FILCE			\$ 5.40	ψ3.97																				
11	Purchase 3 - Canada	Qty		25,110	23,794	22,513																				71,417
12		Price		\$1.43	\$1.53	\$2.01																				,
13																										
16	Total Quantity Purchased		_	42,243	33,954	44,247		0	0		0		C)		0		0		0		0			0	120,444
17	Total Gas Purchase Cost		\$	61,750				\$		\$		\$	-	\$	-	\$	-	\$			\$	-	\$	-		\$210,218
18	Total Transportation Cost		\$	36,290				\$		\$		\$	-	\$	-	\$	-	\$		-	\$	-	\$	-		\$107,627
19	Total Stranded Pipeline Capacit	ly Cost	\$	11,231			-	\$	-	\$	-	\$	-	\$	-	\$	-	\$		-	\$	-	\$	-		\$33,509
20	Backbone Shrinkage (Dths)		•	(1,322)	(1,393)	(1,418)																				(4,133)
21 22	WACOG ⁽²⁾		\$	2.67	\$ 2.74 \$	3.57																				\$2.73
22	Storage/Inventory																									
23	Total Injections/Withdrawals (Dt	th)		4,037	0	1,675																				5,712
25	Total Inventory Quantity (Dths)	,		27,024	27,024	28,699																				5,712
25 26	Total Inventory Value		\$	64,747																						
27	Net Inventory Change in Value		\$	9,713			-	\$	-	\$	-	\$	-	\$	-	\$	-	\$		-	\$	-	\$	-	\$	14,064
28	Avg. Inventory Rate (\$/Dth)		\$	2.40																						
29	PG&E Monthly Storage Cost (\$))	\$	2,790			-	\$		\$		\$	-	\$	-	\$	-	\$		-	\$	-	\$	-	\$	8,371
30	ISP Monthly Storage Cost (\$)		\$	6,404 \$	6,404 \$	6,404 \$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$		-	\$	-	\$	-	\$	19,213
31	One Brannen Manthly Francisco																									
	Gas Program Monthly Expenses																									
33	Cost of Energy Used ⁽³⁾		\$	108,752	\$ 98,433 \$	5 157,687 \$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$		-	\$	-	\$	-	\$	364,872
34	Staff Cost			15,444	34,113	21,595		-	-		-		-			-		-		-		-			- \$	71,152
35	Professional Fees & Related ⁽⁴⁾			25,745	12,549	3,715			_		-		-					-		-		-				42,009
36	Subtota	al		149,940	145,096	182,997																			\$	478,033
37	Rate (\$/Dth	ר)		\$4.30	\$4.21	\$5.43																				\$4.64
38																										
39	PG&E Pass-through Costs ⁽⁵⁾			126,812	106,311	191,744			_		-		-							-		-				424,867
40	Total ABAG POWER Cos	st	\$	276,752	5 251,407 \$	374,740							-												\$	902,900
41			_																							
42	<u> Actual (metered) Gas Usage</u>																									
43	Core ⁽⁶⁾			27,255	26,251	24,388																				77,894
44	Non Core			7,650	8,195	9,310																				25,155
45	Total Program Usage			34,905	34,446	33,698																				103,049
46																										
	ABAG POWER Total Core Rate		\$	8.95	<u>8.26</u>	13.29																				
48																										
49	T.																									
	PG&E Rate ⁽⁷⁾																									
51	Procurement Charge ⁽⁸⁾			2.18	2.63	3.99	3.6	1	4.40		4.64		-		-		-			-		-		-		
52	Transportation/Other Charge ⁽⁹⁾			4.65	4.05	7.86																				
53	Total PG&E Rat	te	\$	6.84			3.6	1 \$	4.40	\$	4.64	\$	-	\$	-	\$	-	\$		-	\$	-	\$	-		
54			<u>.</u>			<u>×</u>		- <u>·</u>		·		<u> </u>		<u>.</u>									<u>.</u>		-	
-	Monthly Index Postings																									
56	NGI Bidweek for PG&E Citygate	e		\$2.46	\$2.53	\$3.47	\$3.9	98	\$4.01																	
57	Gas Daily Avg. for PG&E Cityga			\$2.44	\$3.07	\$3.59	\$3.9		• • •																	
58	NGI Bidweek for Malin			\$1.50	\$1.73	\$2.47	\$2.3		\$3.35																	
59	AB-NIT Month Ahead (7A US)			\$1.39	\$1.49	\$1.97	\$1.7	'4	\$2.53																	
60																										

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2			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	Small Commercial (G-NR1) Rate Comparison			•											
62	Monthly Rate Difference (\$/Dth)		2.11	1.58	1.44										
	Monthly Savings	\$	(57,540)												
	Cumulative 'Savings'	\$	(57,540)												
	Cumulative 'Savings'		-30.9%	-27.4%	-20.6%										
68															
	Additional Rate Comparisons		00.5%	04.000	00.00/										
	Large Commercial (G-NR2) Cumulative Savings		-38.5% -27.1%	-34.9% -9.7%	-26.3% -4.5%										
	Residential (G1/GM) Cumulative Savings Natural Gas Vehicle (G-NGV1/2) Cumulative Savin	ac	-27.1%	-9.7% -15.5%	-4.5% -7.3%										
85	Natural Gas Vehicle (G-NGV 1/2) Cumulative Savin	ys	-39.470	-13.370	-7.570										
86															
87	Notes:														
88	¹ All gas quantities in Dth and rates in \$/Dth. (D	oes no	t include imbal	ance purchases	traded to stora	ae.)									
89															
	³ Includes costs to transport gas to PG&E Cityg			iverv points as v	ell as physical	storage costs									
90 91	⁴ Includes scheduling fees, billing fees, administ														
92	⁵ PG&E charges billed to ABAG POWER via El						essarily tie direct	v to the actual day	usade shown ah	ove due to timina	difference in rend	orting			
92 93 94	⁶ From billing data	51 pice		a anough to out				y to the dotadi gat	dougo onomn ab	love due to timing		siung.			
04	⁷ Based on PG&E's G-NR1 rate schedule.														
	⁸ Includes: Procurement Charge, Capacity Cha		skarage Fee S	heinkana and Ci											
95								Otto Tana a							
96	⁹ PG&E Transportation Charge; Customer Char	rge, and	a surcharge for	Public Purpose	Programs. Do	es not include Fi	ranchise Fees and	City Taxes.							
97															
95 96 97 98 99 100															
100															