

**ABAG Publicly Owned Energy Resources (ABAG POWER)****Executive Committee****February 18, 2021****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 December 2020, daily prices per dekatherm at PG&E's Citygate ranged from \$2.03 to \$4.26, with an unweighted average of \$3.41.

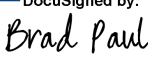
PG&E's small commercial procurement rate (G-NR1) – the rate under which most ABAG POWER accounts would be categorized – averaged \$3.57 over the same time period.

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 -6.8% 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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Brad Paul

	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q
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
4	Gas Purchases <sup>(1)</sup>															
5		Purchase 1 - Oregon	Qty	17,133	17,360	16,734	17,114	14,843	15,345							98,529
6			Price	\$1.51	\$1.74	\$2.48	\$2.31	\$3.38	\$3.16							
7																
8		Purchase 2 - California	Qty	0	-7,200	5,000	5,400	24,300	53,100							80,600
9			Price		\$3.40	\$3.97	\$3.99	\$3.81	\$3.63							
10																
11		Purchase 3 - Canada	Qty	25,110	23,794	22,513	23,610	21,600	20,274							136,901
12			Price	\$1.43	\$1.53	\$2.01	\$1.76	\$2.36	\$2.27							
13																
16		Total Quantity Purchased		42,243	33,954	44,247	46,124	60,743	88,719	0	0	0	0	0	0	316,030
17		Total Gas Purchase Cost	\$	61,750	\$ 41,969	\$ 106,499	\$ 102,552	\$ 193,688	\$ 287,214	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$793,671
18		Total Transportation Cost	\$	36,290	\$ 36,060	\$ 35,277	\$ 35,889	\$ 31,938	\$ 32,219	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$207,673
19		Total Stranded Pipeline Capacity Cost	\$	11,231	\$ 11,211	\$ 11,068	\$ 11,279	\$ 3,549	\$ 8,091	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$56,427
20		Backbone Shrinkage (Dths)		(1,322)	(1,393)	(1,418)	(1,602)	(1,436)	(2,614)							(9,785)
21		WACOG <sup>(2)</sup>	\$	2.67	\$ 2.74	\$ 3.57	\$ 3.36	\$ 3.86	\$ 3.80							\$3.27
22																
23	Storage/Inventory															
24		Total Injections/Withdrawals (Dth)		4,037	0	1,675	1,300	(1,214)	(1,724)							4,074
25		Total Inventory Quantity (Dths)		27,024	27,024	28,699	29,999	28,785	27,061							
26		Total Inventory Value	\$	64,747	\$ 64,747	\$ 69,098	\$ 73,737	\$ 70,707	\$ 63,915							
27		Net Inventory Change in Value	\$	9,713	\$ -	\$ 4,351	\$ 4,639	\$ (3,030)	\$ (6,792)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,882
28		Avg. Inventory Rate (\$/Dth)	\$	2.40	\$ 2.40	\$ 2.41	\$ 2.46	\$ 2.46	\$ 2.36							
29		PG&E Monthly Storage Cost (\$)	\$	2,790	\$ 2,790	\$ 2,790	\$ 2,790	\$ 2,790	\$ 2,790	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,741
30		ISP Monthly Storage Cost (\$)	\$	6,404	\$ 6,404	\$ 6,404	\$ 6,404	\$ 6,404	\$ 6,404	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 38,425
31																
32	Gas Program Monthly Expenses															
33		Cost of Energy Used <sup>(3)</sup>	\$	108,752	\$ 98,433	\$ 157,687	\$ 154,275	\$ 237,850	\$ 335,419	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,092,416
34		Staff Cost		15,444	34,113	21,595	31,661	18,478	24,845	-	-	-	-	-	-	\$ 146,136
35		Professional Fees & Related <sup>(4)</sup>		25,745	12,549	3,715	29,045	12,431	9,646	-	-	-	-	-	-	93,131
36		Subtotal		149,940	145,096	182,997	214,981	268,760	369,909							\$ 1,331,682
37		Rate (\$/Dth)		\$4.15	\$3.96	\$4.93	\$4.94	\$4.18	\$4.75							\$4.51
38																
39		PG&E Pass-through Costs <sup>(5)</sup>		126,812	106,311	191,744	230,902	303,506	493,864	-	-	-	-	-	-	1,453,139
40		Total ABAG POWER Cost	\$	276,752	\$ 251,407	\$ 374,740	\$ 445,882	\$ 572,266	\$ 863,774							\$ 2,784,821
41																
42	Actual (metered) Gas Usage															
43		Core <sup>(6)</sup>		28,503	28,471	27,781	35,761	57,488	70,679							248,683
44		Non Core		7,650	8,195	9,310	7,737	6,733	7,216							46,841
45		Total Program Usage		36,153	36,666	37,091	43,498	64,221	77,895							295,524
46																
47	ABAG POWER Total Core Rate			\$ 8.60	\$ 7.69	\$ 11.84	\$ 11.40	\$ 9.46	\$ 11.74							
48																
49																
50	PG&E Rate <sup>(7)</sup>															
51		Procurement Charge <sup>(8)</sup>		2.18	2.63	3.99	3.61	4.40	4.64	4.72	4.69	-	-	-	-	
52		Transportation/Other Charge <sup>(9)</sup>		4.45	3.73	6.90	6.46	5.28	6.99							
53		Total PG&E Rate	\$	6.63	\$ 6.36	\$ 10.89	\$ 10.06	\$ 9.68	\$ 11.63	\$ 4.72	\$ 4.69	\$ -	\$ -	\$ -	\$ -	
54																
55	Monthly Index Postings															
56		NGI Bidweek for PG&E Citygate		\$2.46	\$2.53	\$3.47	\$3.98	\$4.01	\$3.71	\$3.68	\$3.55					
57		Gas Daily Avg. for PG&E Citygate		\$2.44	\$3.07	\$3.59	\$3.99	\$3.82	\$3.61	\$3.53						
58		NGI Bidweek for Malin		\$1.50	\$1.73	\$2.47	\$2.30	\$3.35	\$3.13	\$3.36	\$2.77					
59		AB-NIT Month Ahead (7A US)		\$1.39	\$1.49	\$1.97	\$1.74	\$2.33	\$2.23	\$2.06	\$2.28					
60																

