


**ABAG Publicly Owned Energy Resources (ABAG POWER)****Executive Committee****February 18, 2021****Agenda Item 5.d.****Report on Natural Gas Program****Subject:** Fiscal Year (FY) 2020-21 Budget-to-Actual

**Background:** ABAG POWER's adopted operating budget provides a core natural gas rate of \$0.36 per therm. During the first half of FY 2020-21, the program's core gas rate was \$0.37 per therm. The rate reflects a combination of higher than anticipated gas prices, coupled with decreased usage in the summer months due to warm weather and COVID-19-related reductions in facility usage.

<i>Dollars per therm (\$/therm)</i>		
	<b>FY 2020-21 YTD Actual</b>	<b>FY 2020-21 Budget</b>
Core Gas Rate	\$0.37	\$0.36
Noncore Gas Rate	\$0.43	\$0.35
PG&E Pass-through Costs	\$0.58	\$0.78
Program Expenses	\$0.08	\$0.08
Core Total Rate	\$1.03	\$1.22
Noncore Total Rate	\$0.51	\$0.43

As the year progresses, core and noncore total rates are expected to decline as seasonal usage (generally from November to March) returns, resulting in a decreased rate for fixed program expenses. As usage begins to increase, pass-through costs will also rise.

**Issues:** None.**Recommended Action:** None.**Attachment:** FY 2020-21 Budget-to-Actual**Reviewed:**

DocuSigned by:  
  
 8C3380BA165B4D1 2/9/2021  
 Brad Paul

**Agenda Item 5.d. – FY 2020-21 Budget-to-Actual**

February 18, 2021

Page 2 of 2

	<b>YTD Actual As of 12/31/20</b>	<b>Budget Utilization (%)</b>	<b>Adopted Budget FY 2020-21</b>
<b>Revenue</b>			
Sale of Energy	3,863,460	51%	7,558,440
Interest Income	3,721	11%	35,000
Other Revenue	9,226	103%	9,000
Total Revenue	<u>3,876,408</u>	<u>51%</u>	<u>7,602,440</u>
<b>Expense</b>			
<b>Cost of Energy</b>			
PG&E Pass-through Costs	1,453,139	32%	4,500,755
Gas Commodity & Shrinkage Costs	784,789	43%	1,844,335
Intra/Interstate Pipeline Transportation	264,100	49%	542,670
Gas Storage	55,166	43%	127,618
Total Cost of Energy	<u>2,557,194</u>	<u>36%</u>	<u>7,015,378</u>
<b>Staff Cost</b>			
Salary & Benefits	92,979	35%	266,243
Overhead	53,156	35%	150,854
Total Staff Cost	<u>146,136</u>	<u>35%</u>	<u>417,097</u>
<b>Consultant Services</b>			
Gas Scheduling Services	10,050	33%	30,400
Database Hosting Services	17,662	88%	20,000
Brokerage Services	4,927	41%	12,000
External Legal Support	0	0%	10,000
Electronic Data Interchange Services	3,474	45%	7,750
Total Consultant Services	<u>36,113</u>	<u>45%</u>	<u>80,150</u>
<b>Other Expenses</b>			
Audit	52,044	74%	70,000
Interest Expense/Bank Charges	4,924	52%	9,500
Catering	0	0%	2,000
Market Pricing Subscriptions	0	0%	1,660
Travel	0	0%	1,000
Industry Memberships & Conferences	0	0%	1,450
Insurance	0	0%	700
Miscellaneous	50	17%	300
Total Other Expense	<u>57,018</u>	<u>66%</u>	<u>86,610</u>
Total Expense	<u>2,796,461</u>	<u>37%</u>	<u>7,599,235</u>
<b>Surplus / Deficit</b>	<u>1,079,947</u>	<u>-</u>	<u>3,205</u>
Core Annual Usage (Dth):	248,683	43%	577,537
Noncore Annual Usage (Dth):	46,841	54%	86,143
Core Gas Rate (\$/therm):	0.37	102%	0.36
Noncore Gas Rate (\$/therm):	0.43	123%	0.35
PG&E Pass-through Costs (\$/therm):	0.58	75%	0.78
Program Expenses (\$/therm):	0.08	100%	0.08
Core Total Rate (\$/therm):	1.03	85%	1.22
Noncore Total Rate (\$/therm):	0.51	118%	0.43