


ABAG Publicly Owned Energy Resources (ABAG POWER)**Executive Committee****April 15, 2021****Agenda Item 8.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. As of February 2021, the program's fiscal year-to-date core gas rate was \$0.43 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>		
	FY 2020-21 YTD Actual	FY 2020-21 Budget
Core Gas Rate	\$0.43	\$0.36
Noncore Gas Rate	\$0.42	\$0.35
PG&E Pass-through Costs	\$0.67	\$0.75
Program Expenses	\$0.06	\$0.11
Core Total Rate	\$1.16	\$1.22
Noncore Total Rate	\$0.47	\$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.

Discussion Items: None.**Recommended Action:** None.**Attachment(s):** Fiscal Year 2020-21 Budget-to-Actual**Reviewed:**

DocuSigned by:

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 Brad Paul

4/8/2021

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	YTD Actual As of 02/28/21	Budget Utilization (%)	Adopted Budget FY 2020-21
Revenue			
Sale of Energy	5,095,120	67%	7,558,440
Interest Income	6,498	19%	35,000
Other Revenue	9,226	103%	9,000
Total Revenue	<u>5,110,844</u>	<u>67%</u>	<u>7,602,440</u>
Expense			
Cost of Energy			
PG&E Pass-through Costs	2,565,010	59%	4,350,755
Gas Commodity & Shrinkage Costs	1,221,498	66%	1,844,335
Intra/Interstate Pipeline Transportation	362,385	67%	542,670
Gas Storage	73,755	58%	127,618
Total Cost of Energy	<u>4,222,648</u>	<u>62%</u>	<u>6,865,378</u>
Staff Cost			
Salary & Benefits	102,480	38%	266,243
Overhead	58,588	39%	150,854
Total Staff Cost	<u>161,067</u>	<u>39%</u>	<u>417,097</u>
Consultant Services			
Program Design Services	0	0%	150,000
Gas Scheduling Services	13,450	44%	30,400
Database Hosting Services	17,662	88%	20,000
Financial Reporting	900	-	0
Brokerage Services	6,394	53%	12,000
External Legal Support	0	0%	10,000
Electronic Data Interchange Services	4,617	60%	7,750
Total Consultant Services	<u>43,023</u>	<u>19%</u>	<u>230,150</u>
Other Expenses			
Audit	52,044	74%	70,000
Interest Expense/Bank Charges	6,592	69%	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	700	100%	700
Miscellaneous	50	17%	300
Total Other Expense	<u>59,386</u>	<u>69%</u>	<u>86,610</u>
Total Expense	<u>4,486,125</u>	<u>59%</u>	<u>7,599,235</u>
Surplus / Deficit	<u>624,719</u>	<u>-</u>	<u>3,205</u>
Core Annual Usage (Dth):	385,700	67%	577,537
Noncore Annual Usage (Dth):	57,065	66%	86,143
Core Gas Rate (\$/therm):	0.43	119%	0.36
Noncore Gas Rate (\$/therm):	0.42	120%	0.35
PG&E Pass-through Costs (\$/therm):	0.67	89%	0.75
Program Expenses (\$/therm):	0.06	55%	0.11
Core Total Rate (\$/therm):	1.16	95%	1.22
Noncore Total Rate (\$/therm):	0.47	109%	0.43