

ABAG Publicly Owned Energy Resources (ABAG POWER)**Executive Committee**

June 17, 2021**Agenda Item 7.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 recent years. From July 2020 to April 2021, daily prices per dekatherm at PG&E's Citygate ranged from \$2.03 to \$8.85, with an unweighted average of \$3.59.

PG&E's small commercial procurement rate (G-NR1) – the rate under which most ABAG POWER accounts would be categorized – averaged \$3.69 over the same time period.

The program will continue to purchase gas exclusively on daily and monthly markets within California, Oregon, and Alberta, Canada throughout the remainder of FY 2020-21.

Preliminary (unaudited) financial statements through February 2021 indicate a cumulative savings figure of -3.7% when compared to PG&E's G-NR1 rate.

Discussion Items: None.**Recommended Action:** None.**Attachment(s):** Monthly Summary of Operations, FY 2020-21**Reviewed:**

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	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 ⁽¹⁾															
5	Purchase 1 - Oregon	Qty		17,133	17,360	16,734	17,114	14,843	15,345	15,345	13,860	17,205	16,650			161,589
6		Price		\$1.51	\$1.74	\$2.48	\$2.31	\$3.38	\$3.16	\$3.38	\$2.80	\$2.97	\$2.47			
7																
8	Purchase 2 - California	Qty		0	-7,200	5,000	5,400	24,300	53,100	37,300	20,250	39,498	28,500			206,148
9		Price			\$3.40	\$3.97	\$3.99	\$3.81	\$3.63	\$3.54	\$4.67	\$3.62	\$3.92			
10																
11	Purchase 3 - Canada	Qty		25,110	23,794	22,513	23,610	21,600	20,274	22,320	19,682	22,278	22,667			223,848
12		Price		\$1.43	\$1.53	\$2.01	\$1.76	\$2.36	\$2.27	\$2.09	\$2.13	\$2.58	\$2.15			
13																
16	Total Quantity Purchased			42,243	33,954	44,247	46,124	60,743	88,719	74,965	53,792	78,981	67,817	0	0	591,585
17	Total Gas Purchase Cost			\$ 61,750	\$ 41,969	\$ 106,499	\$ 102,552	\$ 193,688	\$ 287,214	\$ 230,578	\$ 175,162	\$ 251,306	\$ 201,501	\$ -	\$ -	\$1,652,219
18	Total Transportation Cost			\$ 36,290	\$ 36,060	\$ 35,277	\$ 35,889	\$ 31,938	\$ 32,219	\$ 34,511	\$ 33,534	\$ 38,107	\$ 37,920	\$ -	\$ -	\$351,745
19	Total Stranded Pipeline Capacity Cost			\$ 11,231	\$ 11,211	\$ 11,068	\$ 11,279	\$ 3,549	\$ 8,091	\$ 17,636	\$ 12,603	\$ 11,377	\$ 10,796	\$ -	\$ -	\$108,840
20	Backbone Shrinkage (Dths)			(1,322)	(1,393)	(1,418)	(1,602)	(1,436)	(1,465)	(1,553)	(1,348)	(1,556)	(1,240)			(14,333)
21	WACOG ⁽²⁾			\$ 2.67	\$ 2.74	\$ 3.57	\$ 3.36	\$ 3.86	\$ 3.75	\$ 3.85	\$ 4.22	\$ 3.88	\$ 3.76			\$3.47
22																
23	Storage/Inventory															
24	Total Injections/Withdrawals (Dth)			4,037	0	1,675	1,300	(1,214)	(1,724)	(15,617)	(10,849)	(595)	5,684			(17,303)
25	Total Inventory Quantity (Dths)			27,024	27,024	28,699	29,999	28,785	27,061	11,444	595	0	5,684			
26	Total Inventory Value			\$ 64,747	\$ 64,747	\$ 69,098	\$ 73,737	\$ 70,707	\$ 63,915	\$ 32,947	\$ 1,485	\$ -	\$ 17,265			
27	Net Inventory Change in Value			\$ 9,713	\$ -	\$ 4,351	\$ 4,639	\$ (3,030)	\$ (4,303)	\$ (38,351)	\$ (26,568)	\$ (1,485)	\$ 17,265	\$ -	\$ -	\$ (37,768)
28	Avg. Inventory Rate (\$/Dth)			\$ 2.40	\$ 2.40	\$ 2.41	\$ 2.46	\$ 2.46	\$ 2.36	\$ 2.88	\$ 2.50	\$ -	\$ 3.04			
29	PG&E Monthly Storage Cost (\$)			\$ 2,790	\$ 2,790	\$ 2,790	\$ 2,790	\$ 2,790	\$ 2,790	\$ 2,890	\$ 2,890	\$ 2,890	\$ 2,535	\$ -	\$ -	\$ 27,946
30	ISP Monthly Storage Cost (\$)			\$ 6,404	\$ 6,404	\$ 6,404	\$ 6,404	\$ 6,404	\$ 6,404	\$ 6,404	\$ 6,404	\$ 6,404	\$ 10,041	\$ -	\$ -	\$ 67,679
31																
32	Gas Program Monthly Expenses															
33	Cost of Energy Used ⁽³⁾			\$ 108,752	\$ 98,433	\$ 157,687	\$ 154,275	\$ 237,850	\$ 332,930	\$ 312,735	\$ 244,559	\$ 300,193	\$ 234,732	\$ -	\$ -	\$ 2,182,145
34	Staff Cost			15,444	34,113	21,595	31,661	18,478	24,845	5,235	9,697	12,670	29,414	-	-	\$ 203,151
35	Professional Fees & Related ⁽⁴⁾			25,745	12,549	3,715	29,045	12,431	9,646	5,154	4,673	2,506	38,596	-	-	144,061
36	Subtotal			149,940	145,096	182,997	214,981	268,760	367,421	323,124	258,929	315,369	302,742			\$ 2,529,357
37	Rate (\$/Dth)			\$4.14	\$3.95	\$4.93	\$4.94	\$4.17	\$4.43	\$3.95	\$3.77	\$4.49	\$5.52			\$4.39
38																
39	PG&E Pass-through Costs ⁽⁵⁾			126,812	106,311	191,744	230,902	303,506	493,864	741,578	370,293	1,021,576	440,149	-	-	4,026,734
40	Total ABAG POWER Cost			\$ 276,752	\$ 251,407	\$ 374,740	\$ 445,882	\$ 572,266	\$ 861,285	\$ 1,064,702	\$ 629,222	\$ 1,336,944	\$ 742,891			\$ 6,556,091
41																
42	Actual (metered) Gas Usage															
43	Core ⁽⁶⁾			28,525	28,494	27,800	35,800	57,700	75,635	75,576	64,711	65,808	49,129			509,178
44	Non Core			7,650	8,195	9,310	7,737	6,733	7,216	6,281	3,943	4,373	5,702			67,140
45	Total Program Usage			36,175	36,689	37,110	43,537	64,433	82,851	81,857	68,654	70,181	54,831			576,318
46																
47	ABAG POWER Total Core Rate			\$ 8.59	\$ 7.69	\$ 11.83	\$ 11.39	\$ 9.43	\$ 10.96	\$ 13.76	\$ 9.49	\$ 20.02	\$ 14.48			
48																
49																
50	PG&E Rate ⁽⁷⁾															
51	Procurement Charge ⁽⁸⁾			2.18	2.63	3.99	3.61	4.40	4.64	4.72	4.69	4.02	2.02	1.89	1.96	
52	Transportation/Other Charge ⁽⁹⁾			4.45	3.73	6.90	6.45	5.26	6.53	9.81	5.72	15.52	8.96			
53	Total PG&E Rate			\$ 6.63	\$ 6.36	\$ 10.88	\$ 10.06	\$ 9.66	\$ 11.17	\$ 14.53	\$ 10.41	\$ 19.54	\$ 10.98	\$ 1.89	\$ 1.96	
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	\$3.82	\$3.62	\$4.14		
57	Gas Daily Avg. for PG&E Citygate			\$2.44	\$3.07	\$3.59	\$3.99	\$3.82	\$3.61	\$3.53	\$4.58	\$3.59	\$3.75			
58	NGI Bidweek for Malin			\$1.50	\$1.73	\$2.47	\$2.30	\$3.35	\$3.13	\$3.36	\$2.77	\$2.96	\$2.46	\$2.85		
59	AB-NIT Month Ahead (7A US)			\$1.39	\$1.49	\$1.97	\$1.74	\$2.33	\$2.23	\$2.06	\$2.28	\$2.55	\$2.13	\$2.30		
60																

