

ABAG POWER

Executive Committee Meeting

Eyas Abdeen, Principal Program Manager
February 13, 2025



ASSOCIATION OF BAY AREA GOVERNMENTS
METROPOLITAN TRANSPORTATION COMMISSION

Agenda

- Introduction
- Gas Market Overview
- Program Overview
- Strategic Planning – RoadMap
- Progress Update



ABAG AND ABAG POWER



ASSOCIATION
OF BAY AREA
GOVERNMENTS

ABAG supports regional planning and cooperation among the cities and counties of the San Francisco Bay Area.

abag.ca.gov →

- ABAG POWER was **formed in 1998** by the Association of Bay Area Governments (ABAG) and local governments to provide **aggregated electricity and natural gas procurement for municipal facilities**.
- ABAG is the program administrator of ABAG POWER.
- Current offerings include a natural gas aggregation program and renewable natural gas program.
- Goals of price stability and cost savings.



ABAG POWER JPA

Membership and Governance

52 Participating Entities

Each public agency assigns a voting delegate to the Board of Directors which meets annually

4-member Executive Committee

- Meets bi-monthly to oversee
- Budget and operations
 - Gas purchasing strategy
 - Sustainability initiatives
 - Regulatory proceedings



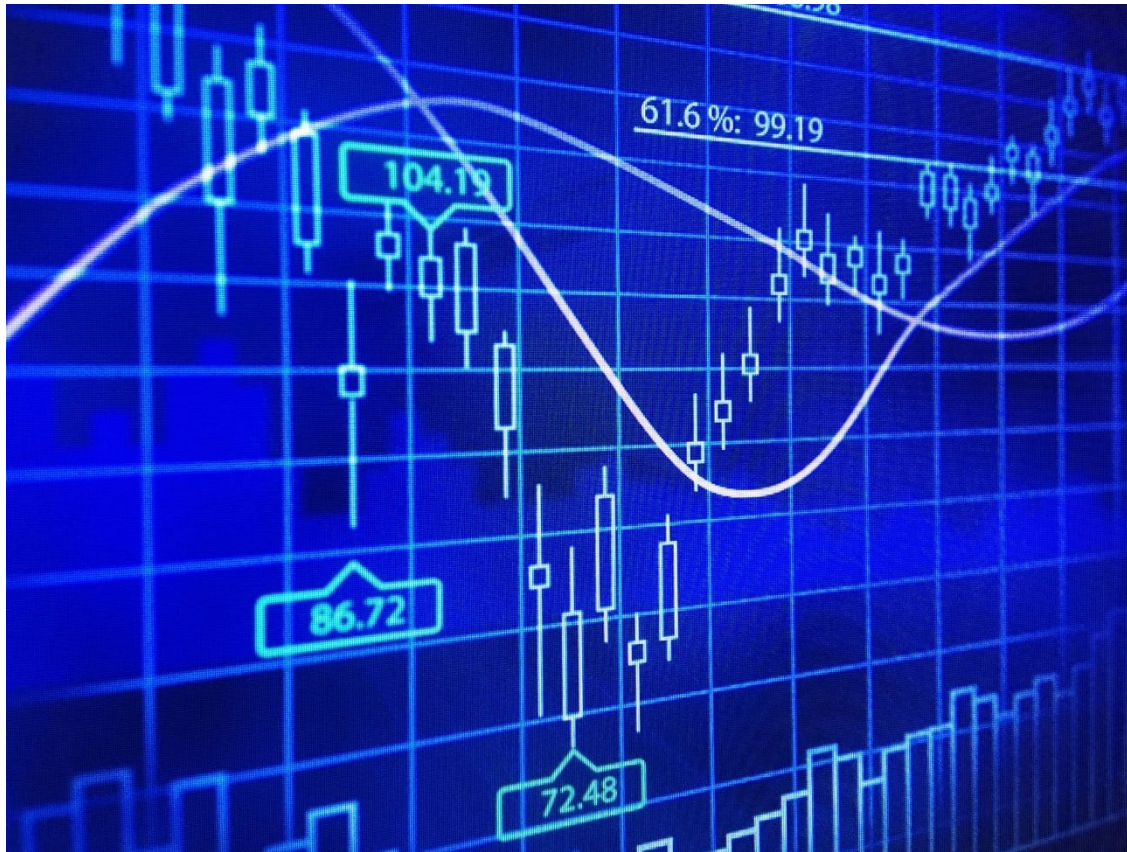
*Bay Area Metro Center
375 Beale Street
San Francisco, CA 94105*



Gas Market Overview



Natural Gas Cost Drivers



Supply and Demand

Weather

Production Levels

Storage Levels

Transportation Infrastructure

Global Market Dynamics

Geopolitical Events

Regulations and Policies

Economic Factors

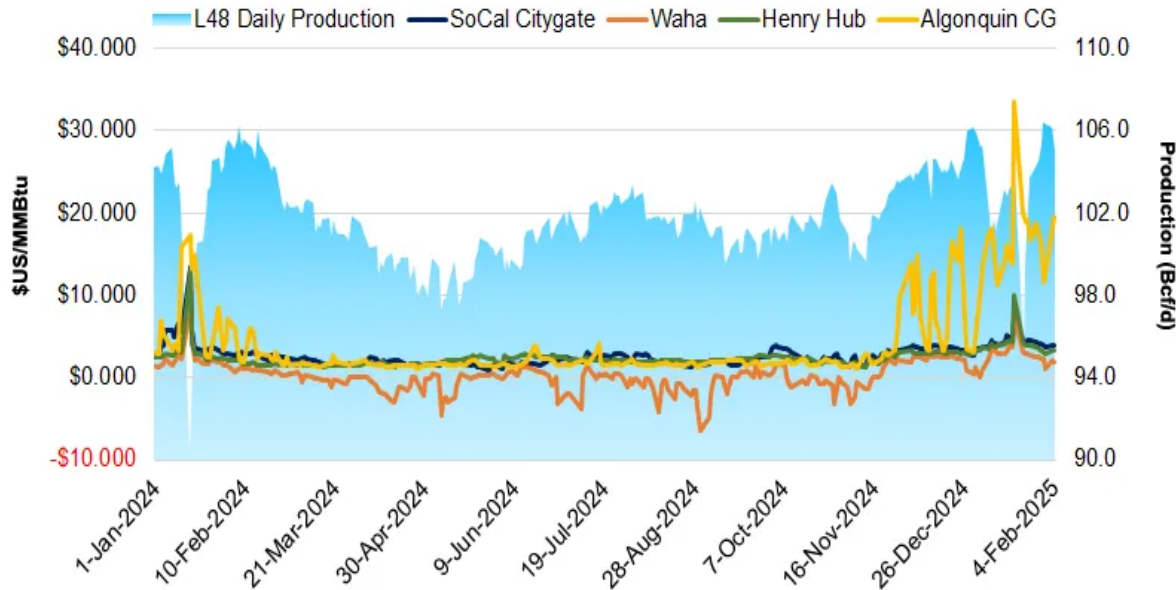
Market Speculation



Tariffs on Energy

NGI's Algonquin Citygate, Henry Hub, SoCal Citygate & Waha Daily Natural Gas Prices vs L48 Gas Production

NGI



Note: Price for 4-Feb-2025 based on MidDay price data.

Source: Compiled by NGI from Wood Mackenzie data, NGI's Daily Gas Price Index, NGI's MidDay Alert

- Campaign Trail: 25% Tariff on all imports from Mexico and Canada starting on Feb 1, 2025
- In January, tariff reduced to 10% on Energy from Canada
- In February Canadian, Mexican tariffs delayed for 30 days.



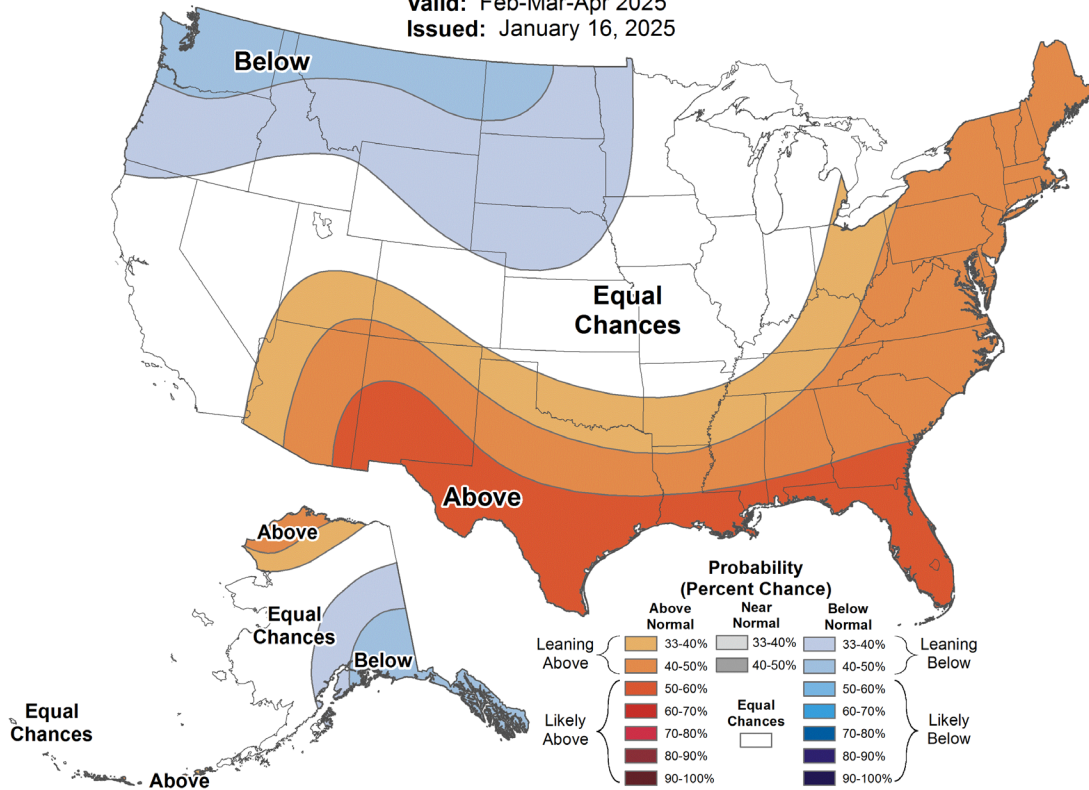
Weather – Climate Prediction



Seasonal Temperature Outlook



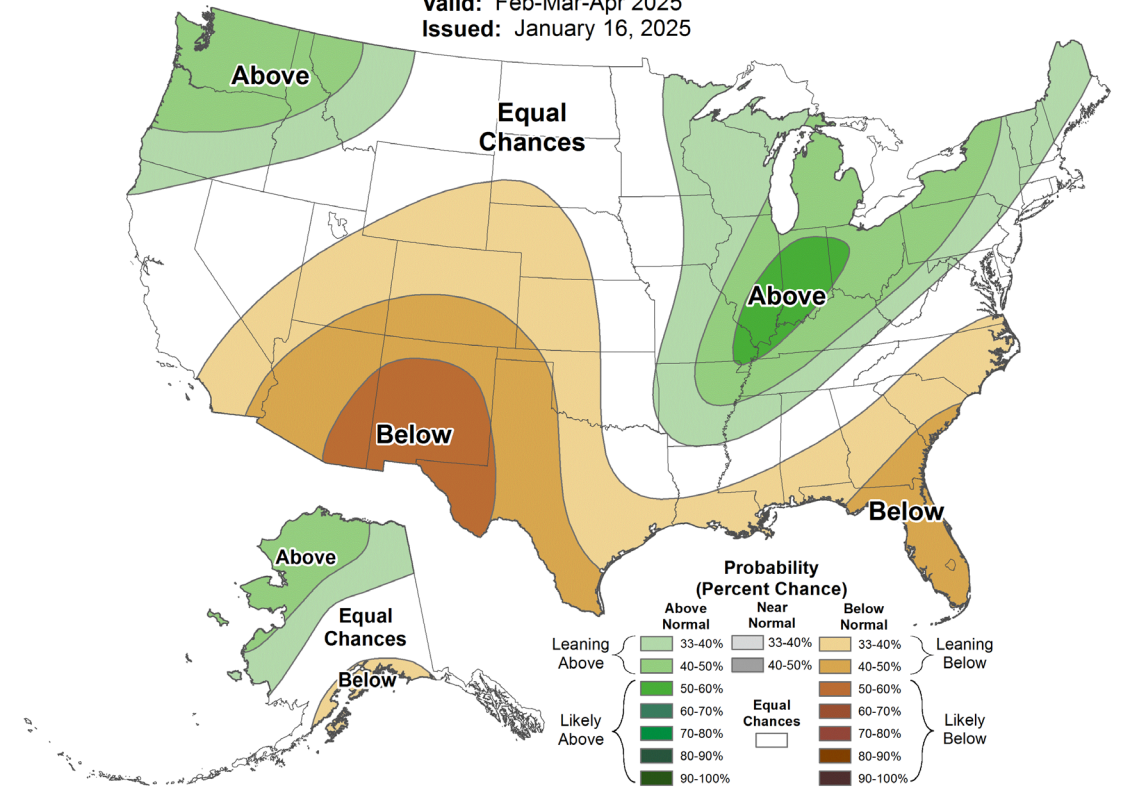
Valid: Feb-Mar-Apr 2025
Issued: January 16, 2025



Seasonal Precipitation Outlook



Valid: Feb-Mar-Apr 2025
Issued: January 16, 2025

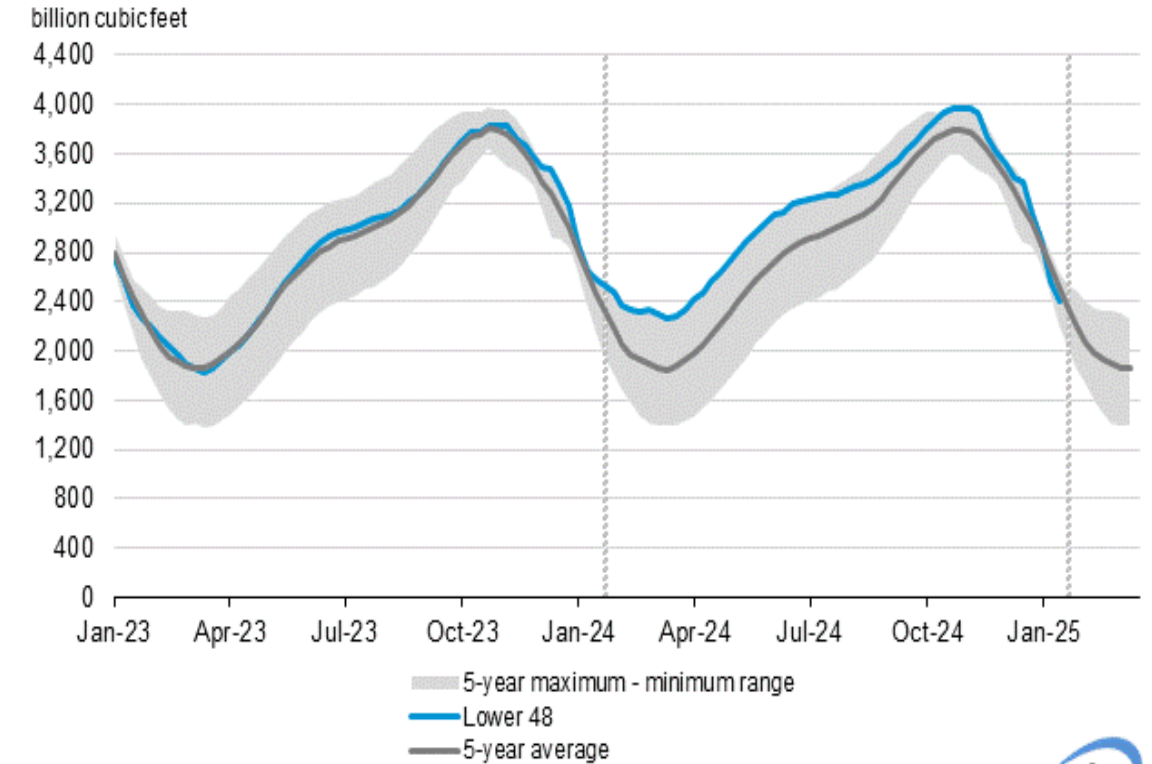


Natural Gas Storage Report

Region	Stocks billion cubic feet (Bcf)				Historical Comparisons			
	01/31/25	01/24/25	net change	implied flow	Year ago (01/31/24) Bcf	% change	5-year average (2020-24) Bcf	% change
East	507	552	-45	-45	579	-12.4	562	-9.8
Midwest	605	661	-56	-56	700	-13.6	677	-10.6
Mountain	200	212	-12	-12	184	8.7	146	37.0
Pacific	230	246	-16	-16	227	1.3	203	13.3
South Central	854	901	-47	-47	917	-6.9	920	-7.2
Salt	217	229	-12	-12	254	-14.6	263	-17.5
Nonsalt	638	672	-34	-34	663	-3.8	657	-2.9
Total	2,397	2,571	-174	-174	2,605	-8.0	2,508	-4.4

Totals may not equal sum of components because of independent rounding.

Working gas in underground storage compared with the 5-year maximum and minimum

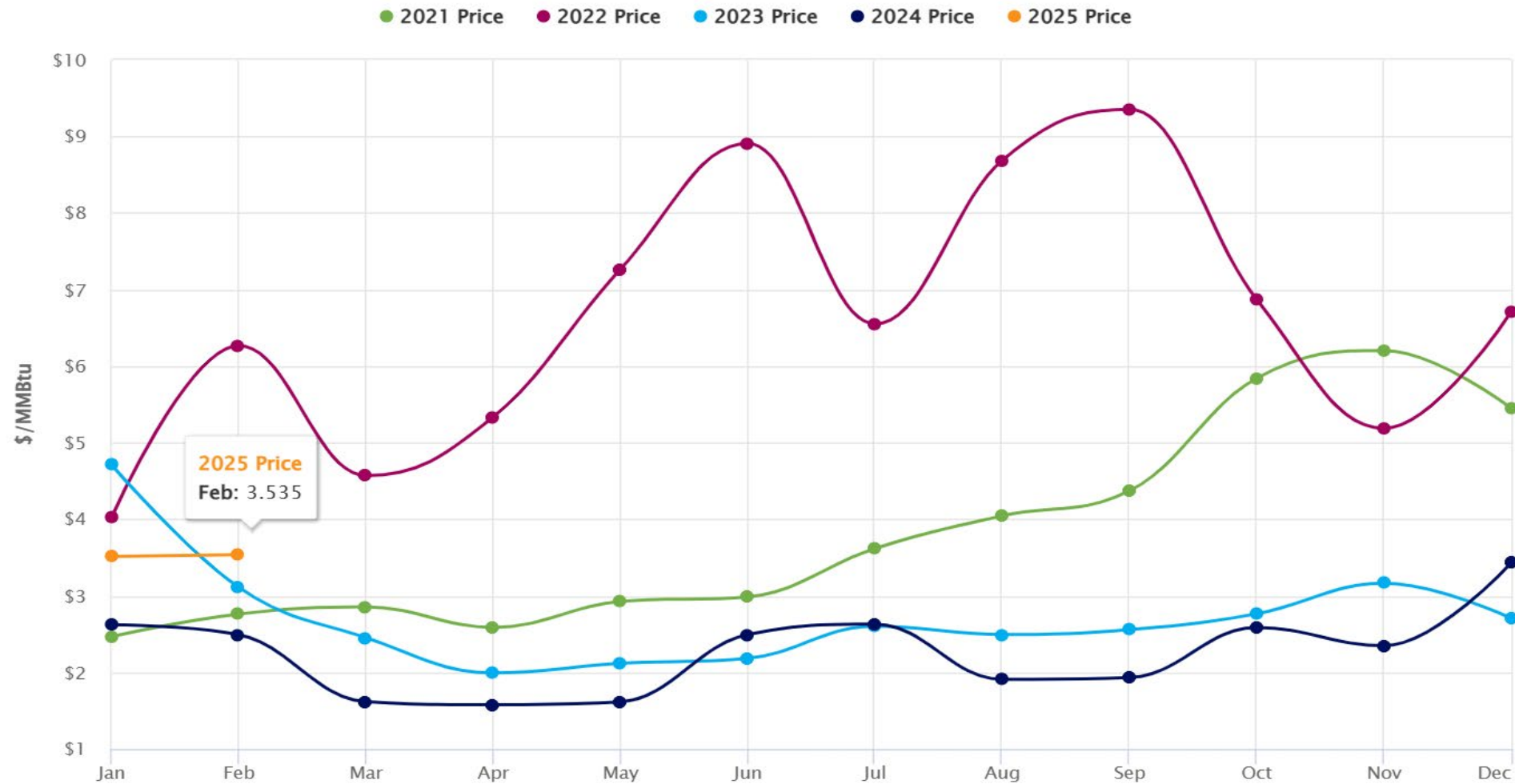


Data source: U.S. Energy Information Administration



Released: February 6, 2025

NYMEX Natural Gas Monthly Settlement Pricing



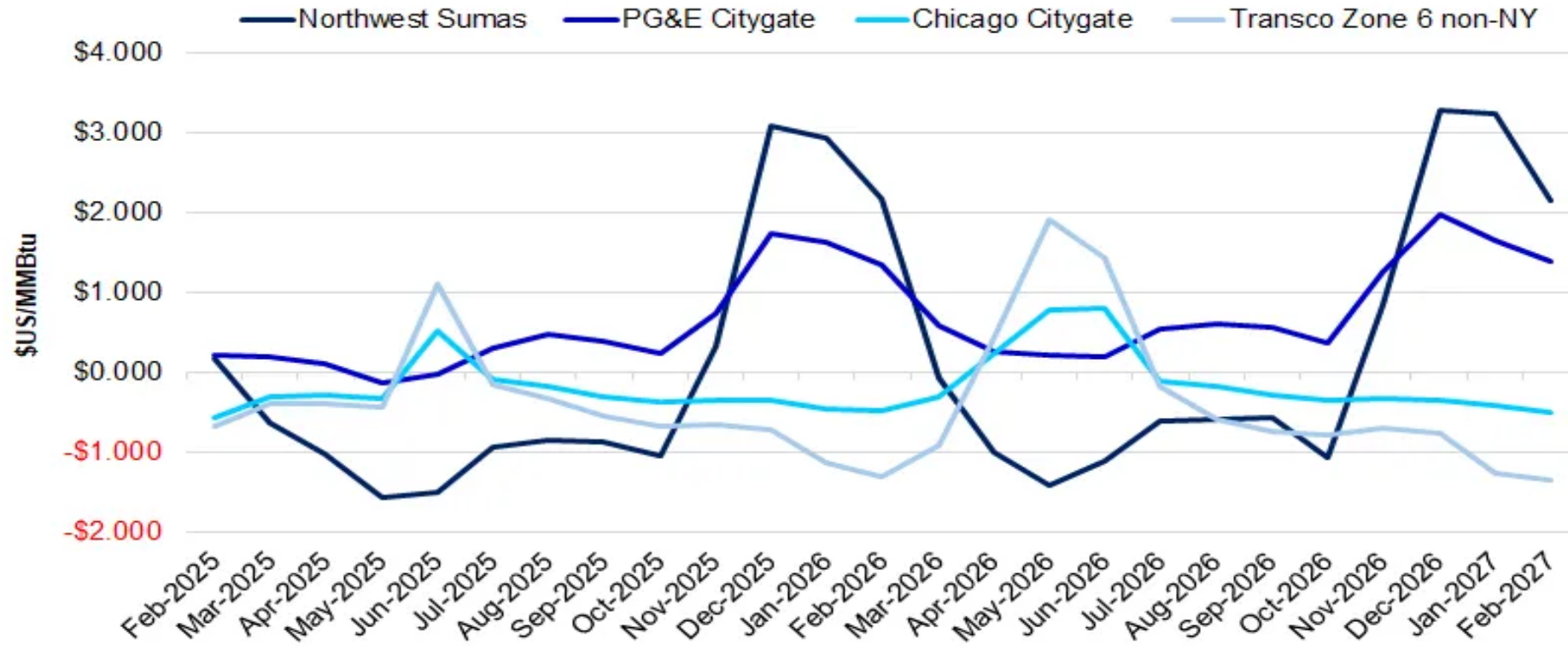
*All prices in \$ per MMBtu



Forward Basis Curves

Select NGI Forward Basis Curves

NGI



Source: NGI's Forward Look

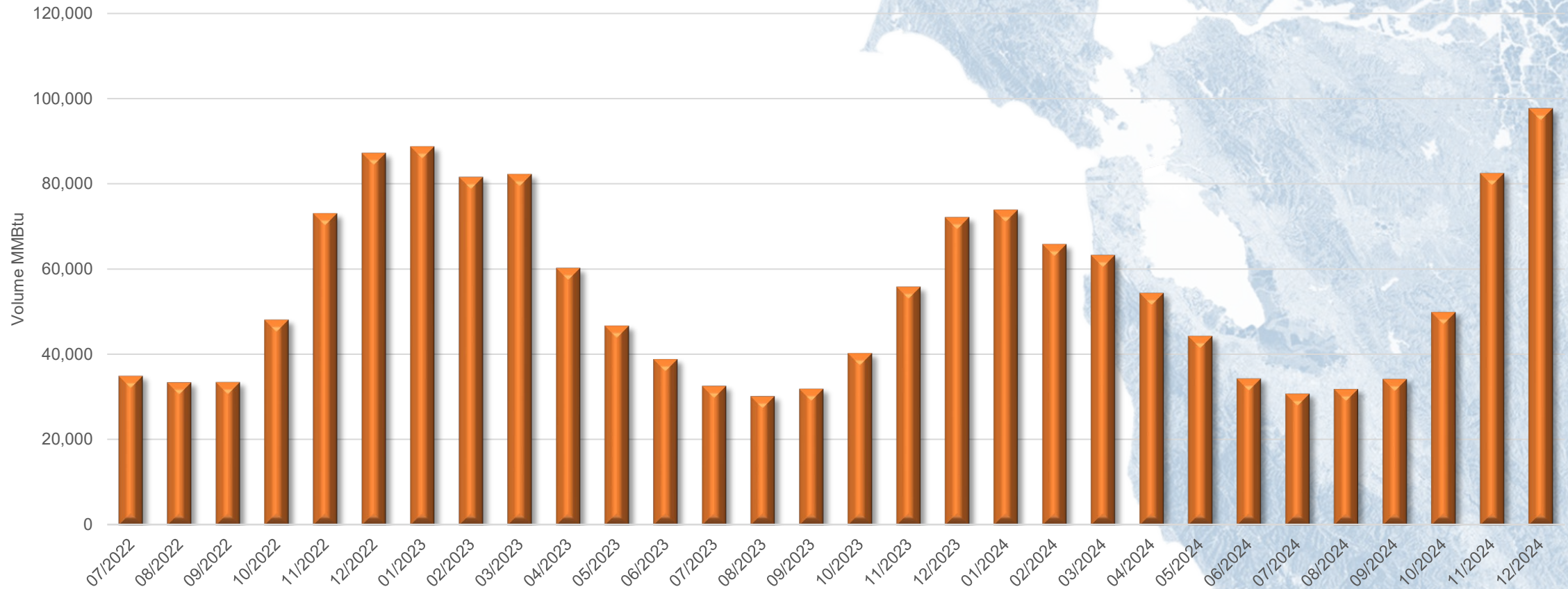


Program Overview

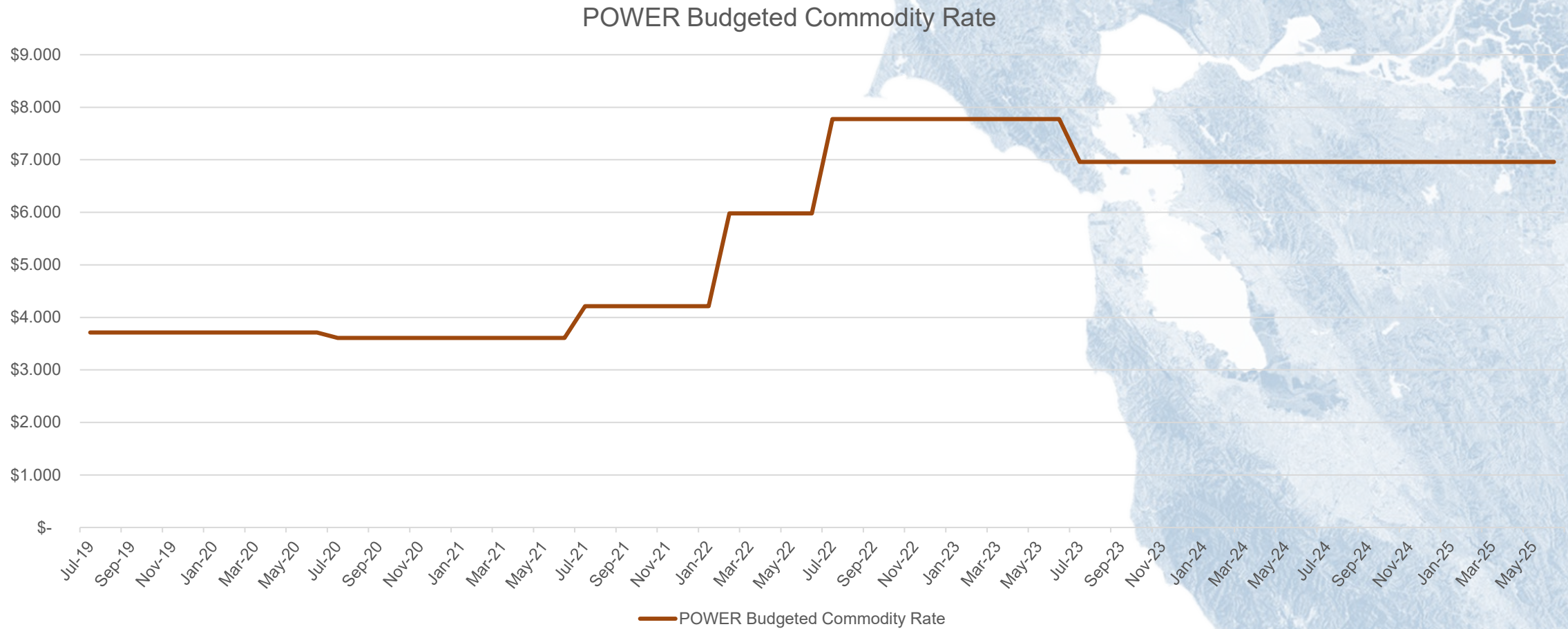


POWER Gas Usage

Natural Gas Usage (MMBtu)

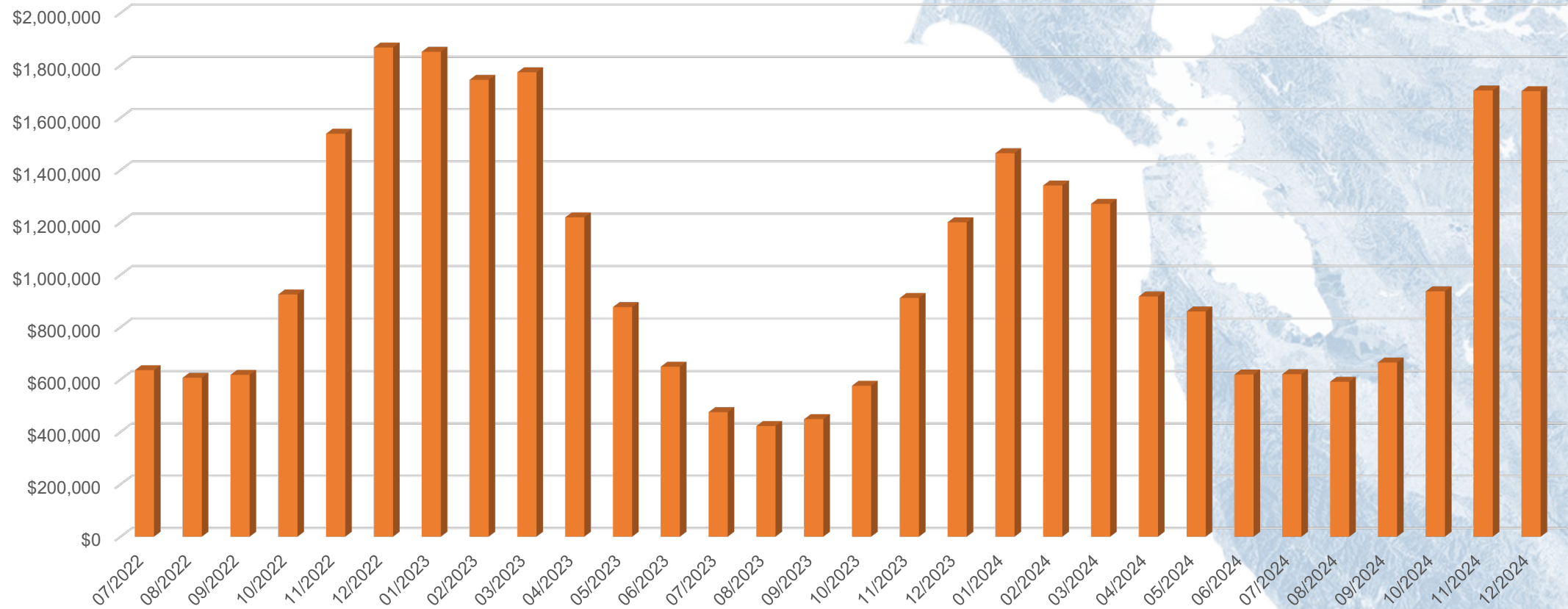


POWER Budgeted Commodity Rate

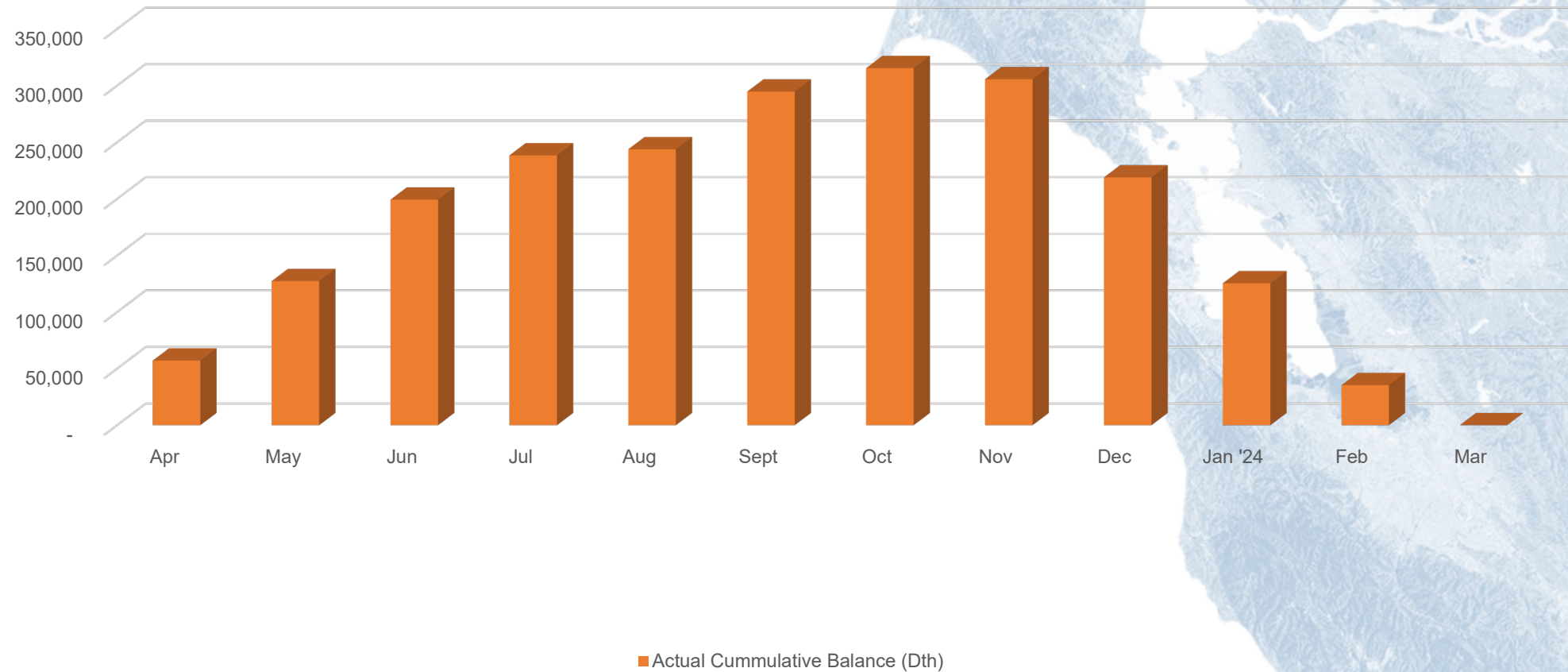


POWER Natural Gas Cost

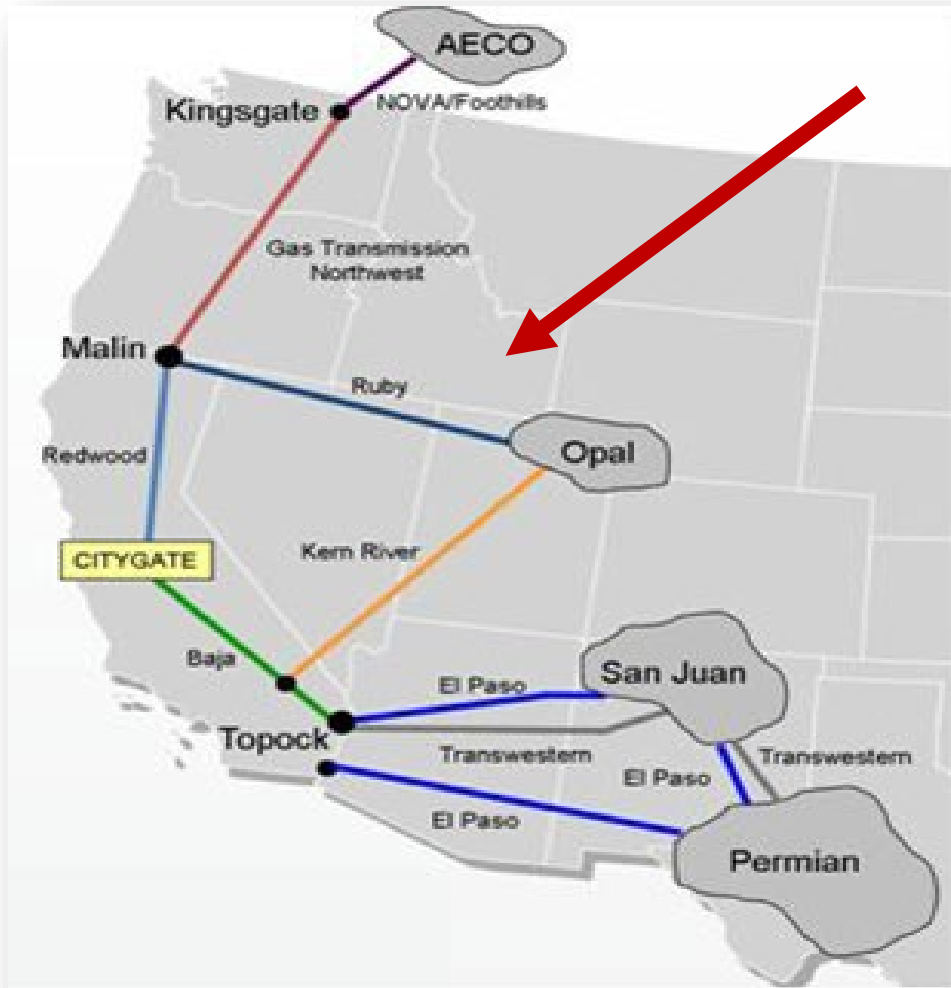
Natural Gas Cost



POWER Gas Storage



Pipeline Capacity



Strategic Planning – RoadMap



Strategic Planning – RoadMap

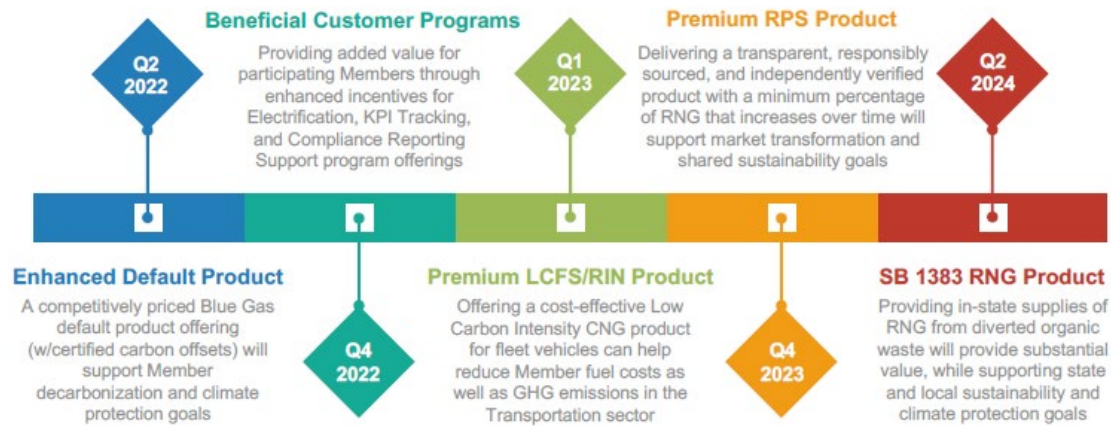


Figure 3 Projected timeline of the Strategic Implementation Roadmap, including anticipated timing of key milestones

Current State:

- Renewable Natural Gas (RNG) program has been formed.

Action Items:

- Reset the implementation timeline to Q2 2025



Progress Update



Progress Update:

- Internal Review
 - Updating POWER SOP
 - Improving members usage reports
 - Improving monthly and quarterly government reporting
 - Assessing Consultants
 - Vine Advisors Consultant was terminated
 - Reaching out to SPURR's members who did not join the program.
 - Two potential members
- Managing market volatility
 - Increasing the number of suppliers of NG & RNG
 - Maximizing pipeline capacity
 - Maximizing the benefit of storage capacity
- Staff finalized True-up for 2023-2024
- Staff are working on FY 2025-2026 Budget.
- Staff will engage with members each quarter to gather gas projections.



Q & A

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