

ABAG POWER

Board of Directors Meeting

Eyas Abdeen, Principal Program Manager
October 24, 2024



ASSOCIATION OF BAY AREA GOVERNMENTS
METROPOLITAN TRANSPORTATION COMMISSION

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*



ABAG POWER Programs

Natural Gas Program

Core (small usage) accounts

Noncore (large usage) accounts

Renewable Natural Gas Program

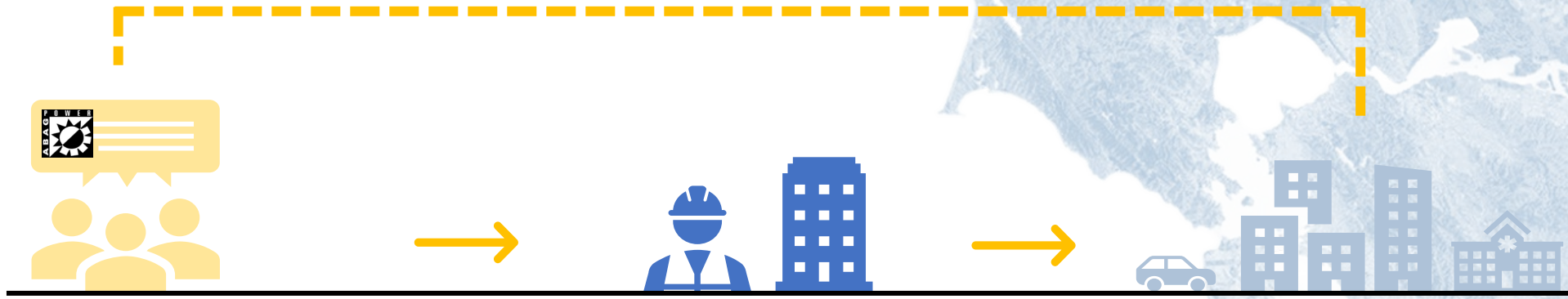
Senate Bill 1383 Compliance

Non-SB 1383 Purposes

Vehicle Fuel



ABAG POWER Natural Gas Service Model



ABAG POWER

- Develops and implements aggregated purchasing strategy for core & non-core
- Conducts consolidated billing
- Provides value-added activities (customer service, rate analysis, regulatory updates, etc.)

PG&E

- Owns and maintains transmission and distribution infrastructure
- Responsible for meter data

PROGRAM PARTICIPANT

- Receives gas for use in facilities or fueling stations
- Governs ABAG POWER

ABAG POWER Benefits

Public Ownership

- Trustworthy and transparent
- Adaptable to changing energy landscape

In-house Customer Service

- “CTA Consolidated Billing”
- Usage and cost reporting
- Rate analysis

Regulatory Involvement

- Monitoring, participation, and updates

Regional Structure

- Knowledge sharing and elevation of local priorities
- Potentially attractive for grant funding opportunities

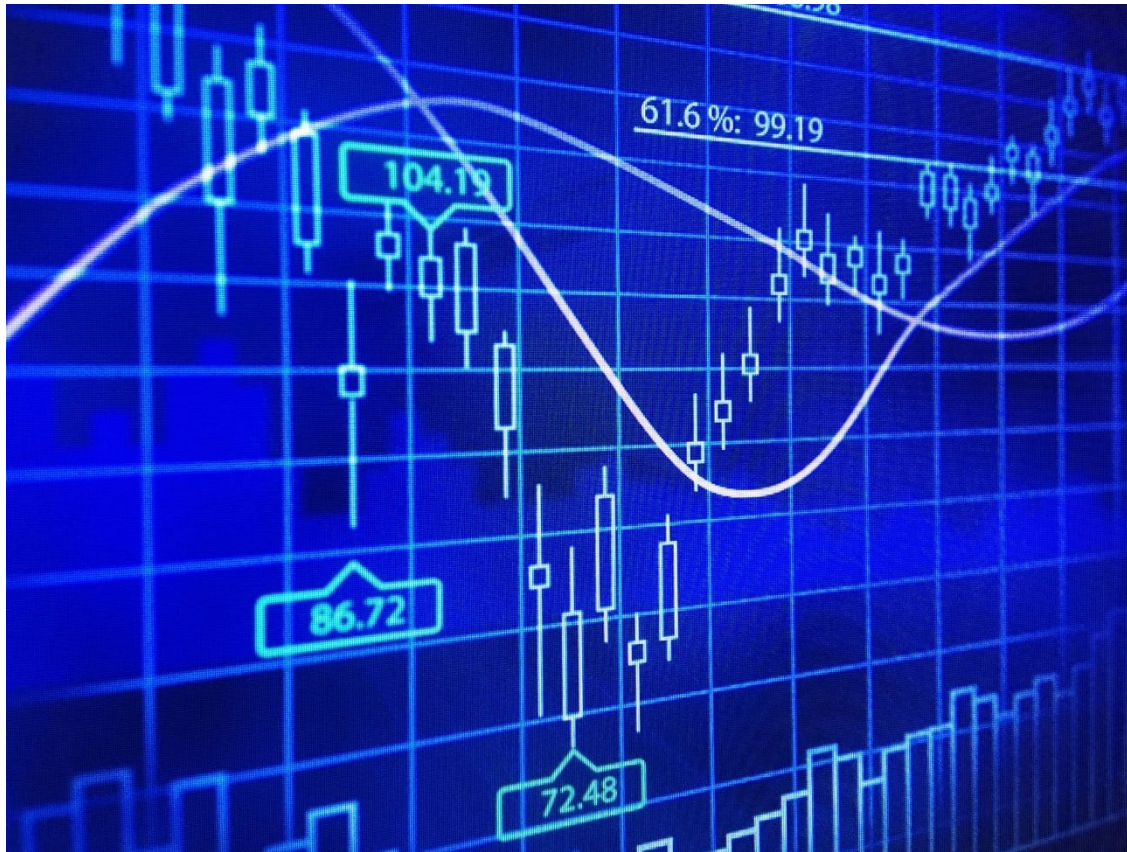


Fiscal Year 2024-25 Priorities

- Continuation of ABAG POWER's Strategic Implementation Roadmap which identifies the following focus areas:
 - Vehicle Fuel Credit Management Program
 - Renewable Natural Gas (RNG)
 - Transitional Electrification Incentives
- Managing market volatility
 - Increasing the number of suppliers
 - Maximizing pipeline capacity
 - Maximizing the benefit of storage capacity



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



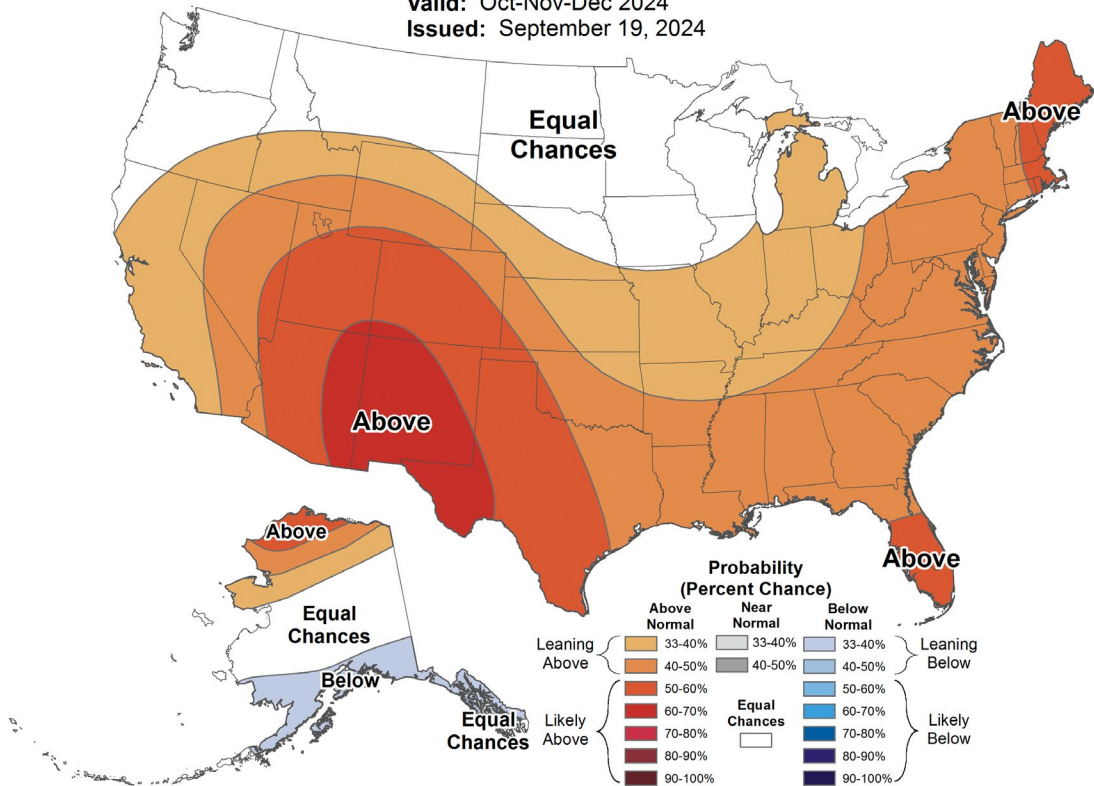
Weather – Climate Prediction



Seasonal Temperature Outlook



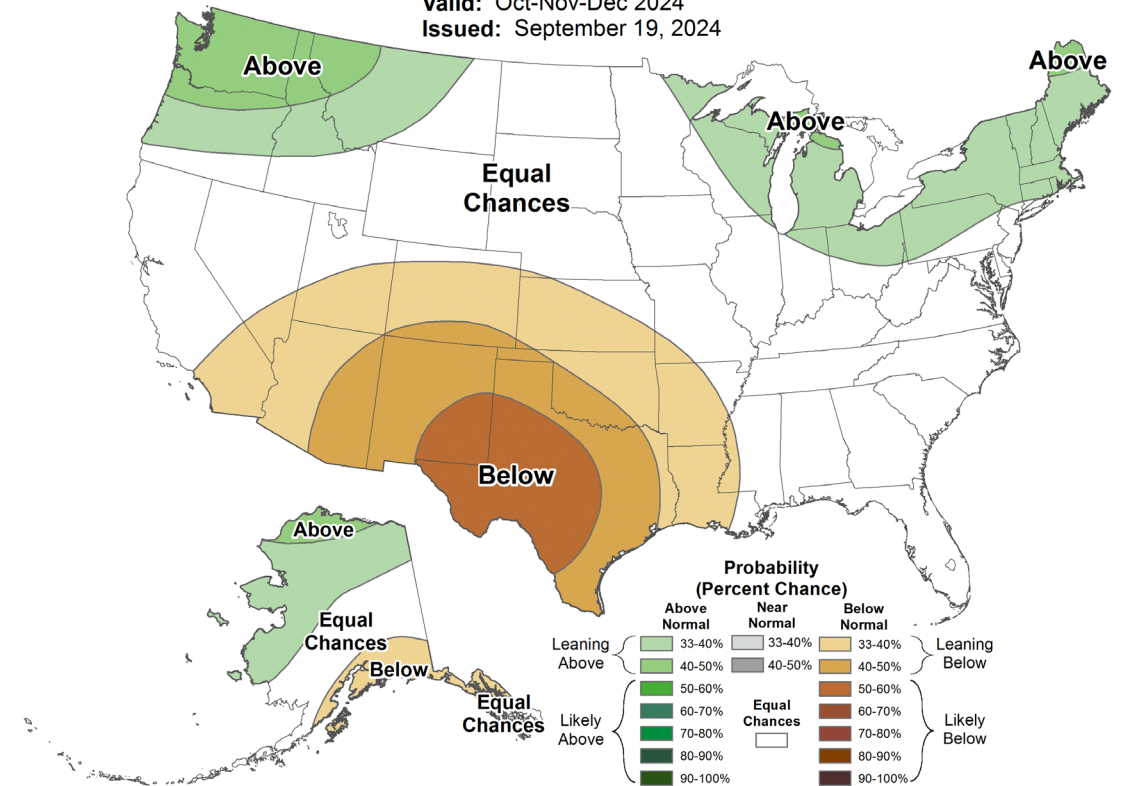
Valid: Oct-Nov-Dec 2024
 Issued: September 19, 2024



Seasonal Precipitation Outlook



Valid: Oct-Nov-Dec 2024
 Issued: September 19, 2024

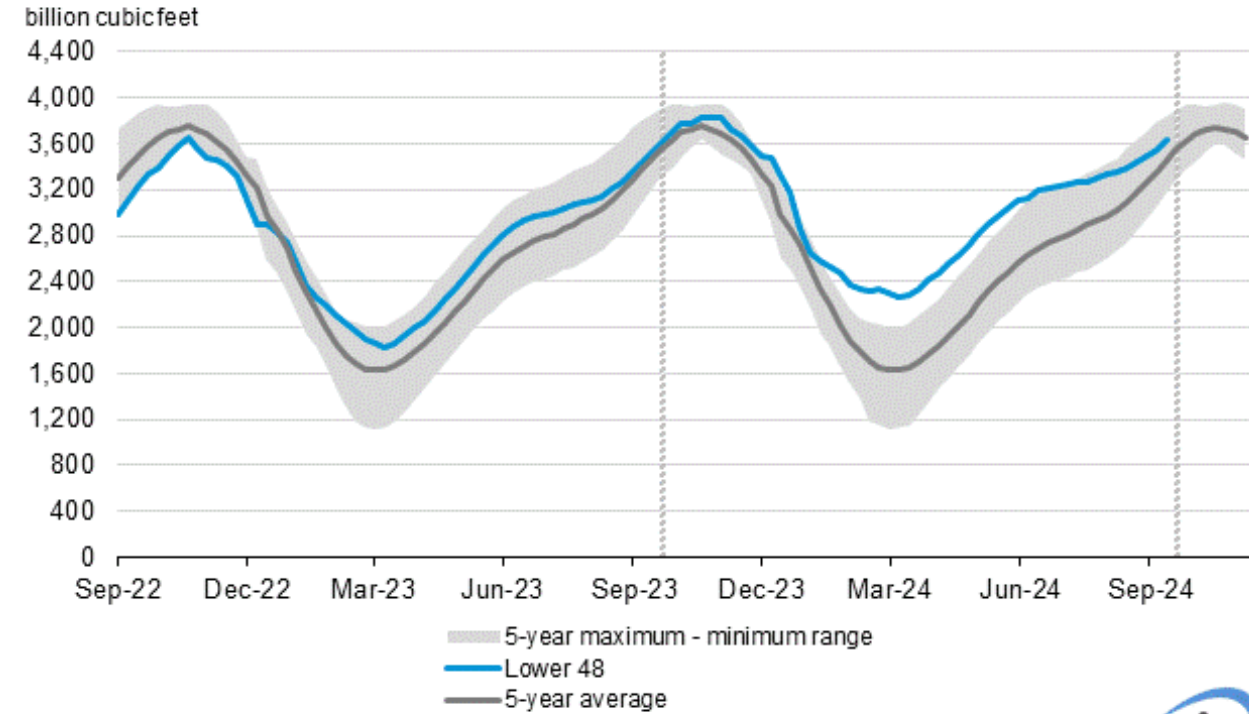


Natural Gas Storage Report

Region	Stocks billion cubic feet (Bcf)				Historical Comparisons			
	10/04/24	09/27/24	net change	implied flow	Year ago (10/04/23)		5-year average (2019-23)	
					Bcf	% change	Bcf	% change
East	873	846	27	27	866	0.8	842	3.7
Midwest	1,041	1,013	28	28	1,012	2.9	1,002	3.9
Mountain	286	283	3	3	243	17.7	216	32.4
Pacific	293	293	0	0	278	5.4	278	5.4
South Central	1,137	1,113	24	24	1,106	2.8	1,116	1.9
Salt	275	261	14	14	265	3.8	273	0.7
Nonsalt	861	852	9	9	841	2.4	843	2.1
Total	3,629	3,547	82	82	3,505	3.5	3,453	5.1

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

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

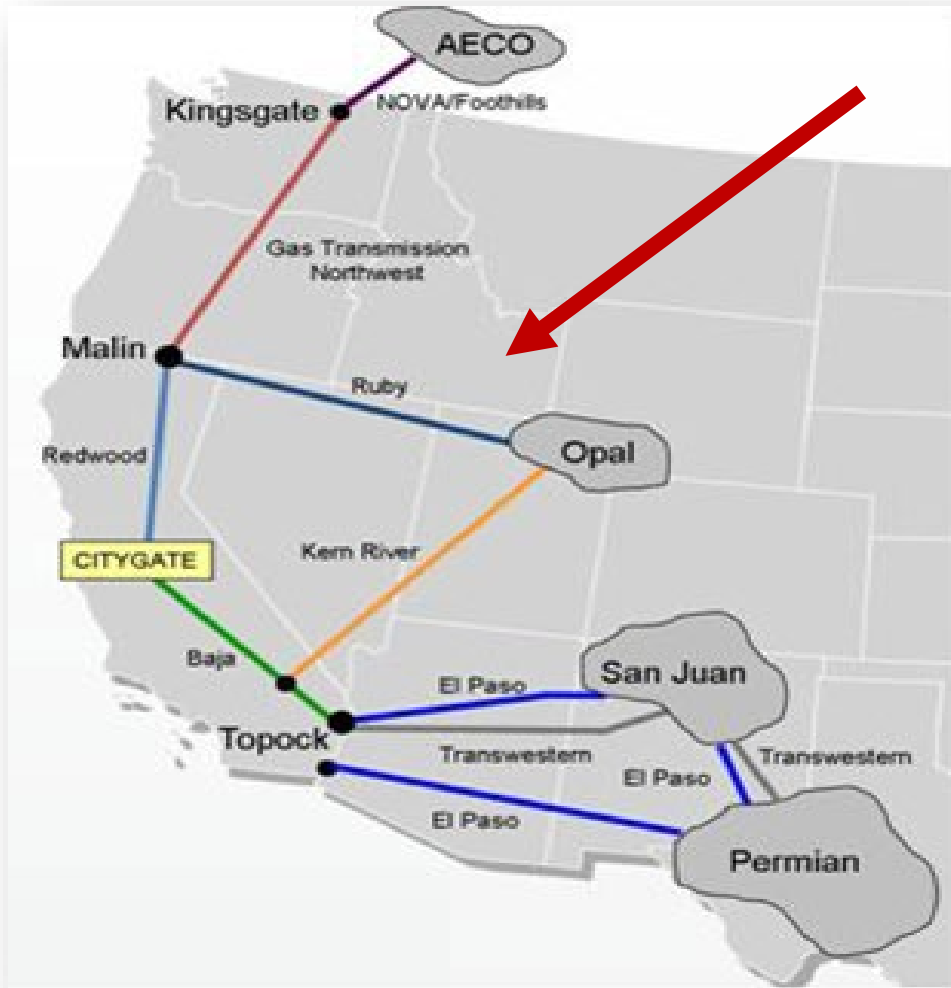


Data source: U.S. Energy Information Administration

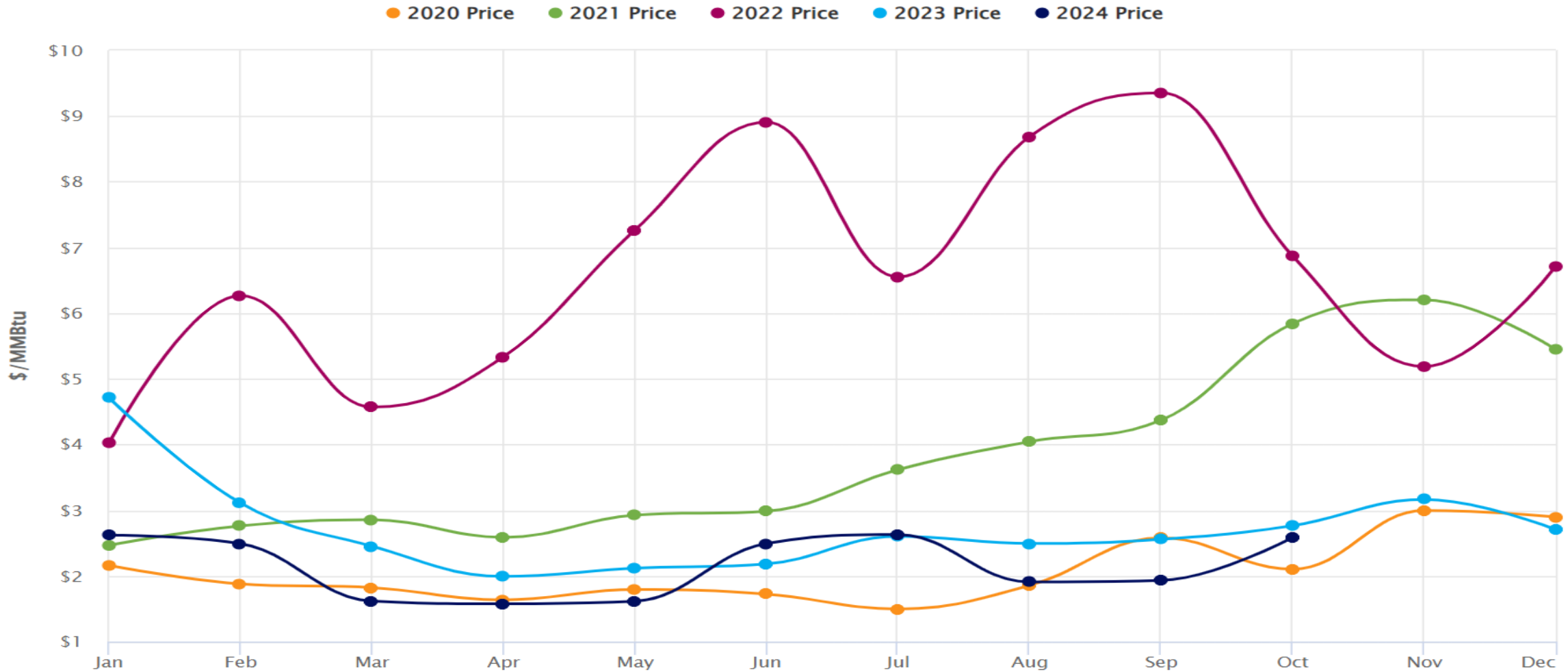


Released: October 10, 2024

Pipeline Capacity



NYMEX Natural Gas Monthly Settlement Pricing

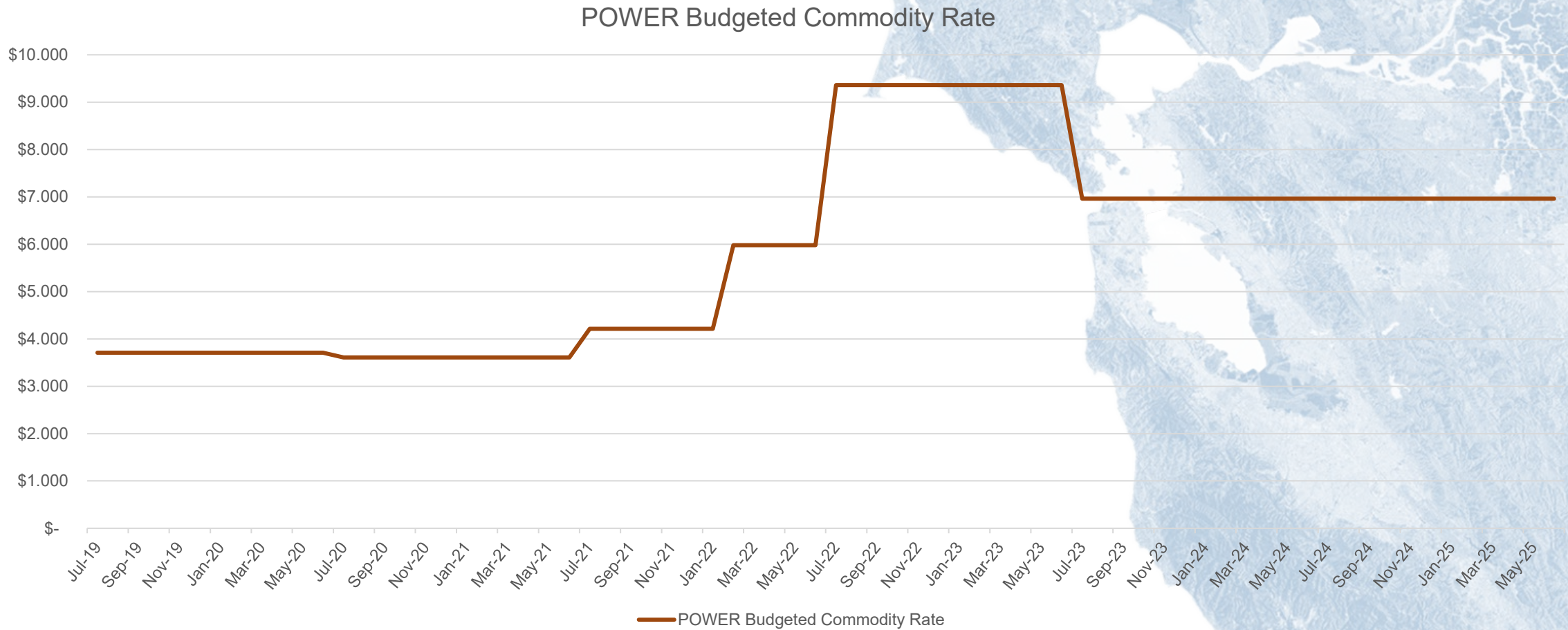


*All prices in \$ per MMBtu



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POWER Budgeted Commodity Rate



Anticipated Fiscal Year 2024-25 Budget

- **Staff are finalizing True-up for 2023-2024**
- **Staff are assessing the current budget and exploring options to reduce mid-year budget amendments.**
- **Staff will engage with members each quarter to gather gas projections, ensuring accuracy and optimizing gas purchases.**



Q & A

Eyas Abdeen

Principal Program Manager, ABAG POWER

eabdeen@bayareametro.gov

Tel: (415) 778-5398

