

ABAG POWER

Executive Committee Meeting

Staff Report

Eyas Abdeen, Principal Program Manager

April 17, 2025



ASSOCIATION OF BAY AREA GOVERNMENTS
METROPOLITAN TRANSPORTATION COMMISSION

Agenda

- Introduction
- Gas Market Overview
- Program Overview
- 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.



ASSOCIATION OF BAY AREA GOVERNMENTS
METROPOLITAN TRANSPORTATION COMMISSION

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

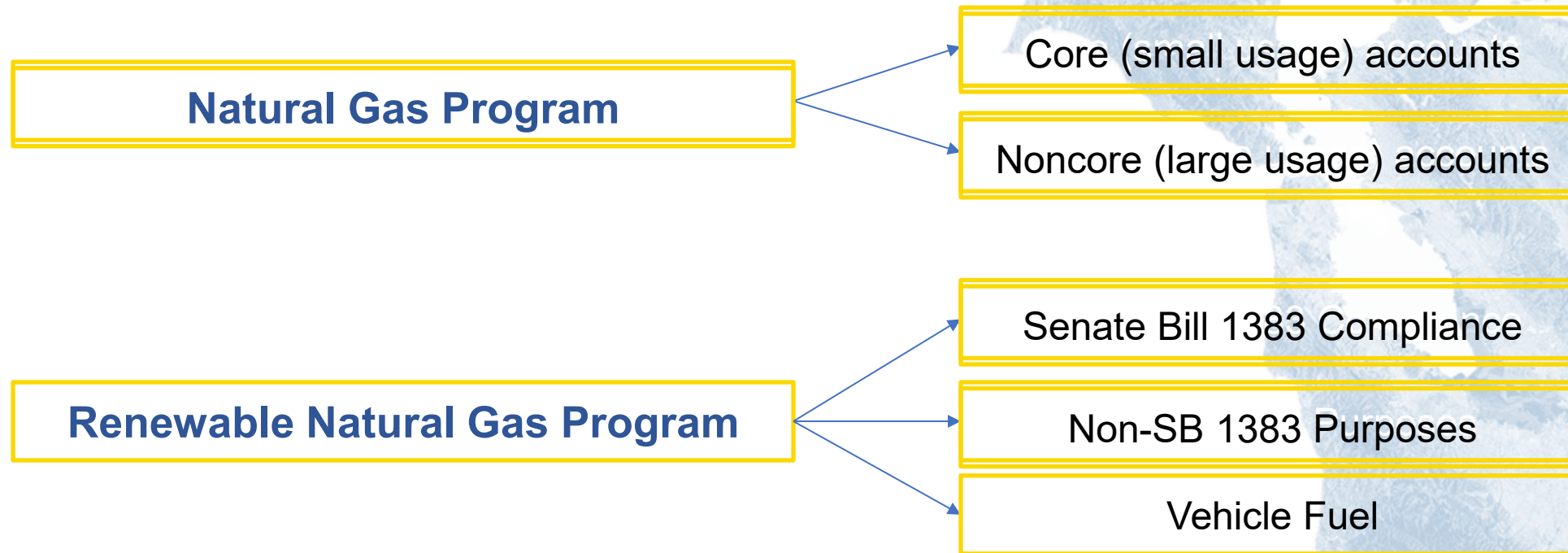
- Meets bi-monthly to oversee
- Budget and operations
 - Gas purchasing strategy
 - Sustainability initiatives
 - Regulatory proceedings



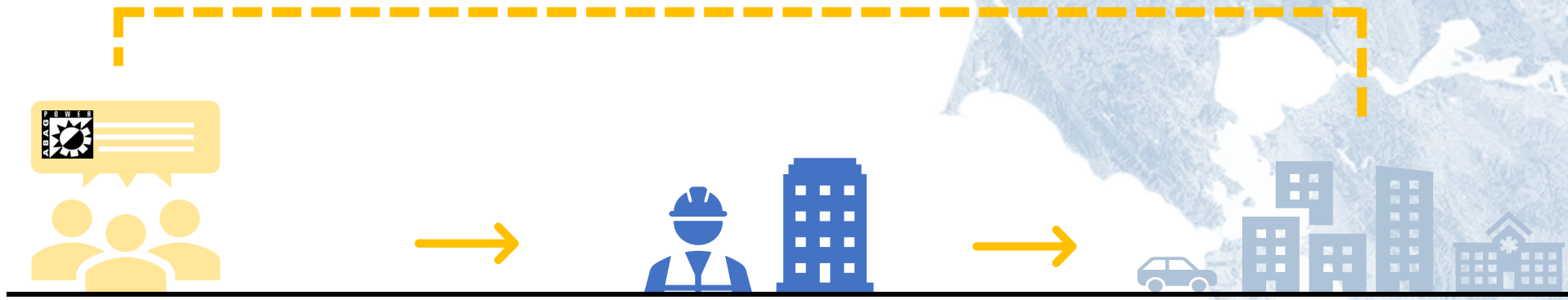
*Bay Area Metro Center
375 Beale Street
San Francisco, CA 94105*



ABAG POWER Programs



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



Gas Market Overview



ASSOCIATION OF BAY AREA GOVERNMENTS
METROPOLITAN TRANSPORTATION COMMISSION

Natural Gas Price Drivers

Supply and
Demand

Weather

Production
Levels

Storage
Levels

Transportation
Infrastructure

Global Market
Dynamics

Geopolitical
Events

Regulations
and Policies

Economic
Factors

Market
Speculation



Natural Gas Market Outlook for 2025

- Unpredictable year for U.S. Natural Gas with respect to Supply, Demand and Output.
 - New administration declared a national energy emergency.
 - LNG Exports increased. Major driver of demand.
 - Natural gas storage is strong. However, concerns remains about the storage level heading into winter, and the soaring demand from the LNG export.
 - Infrastructure support is needed to continue production growth.
 - Mexico decreased its domestic gas production in 2024, and rising demand will increase it reliance on US natural gas in 2025.

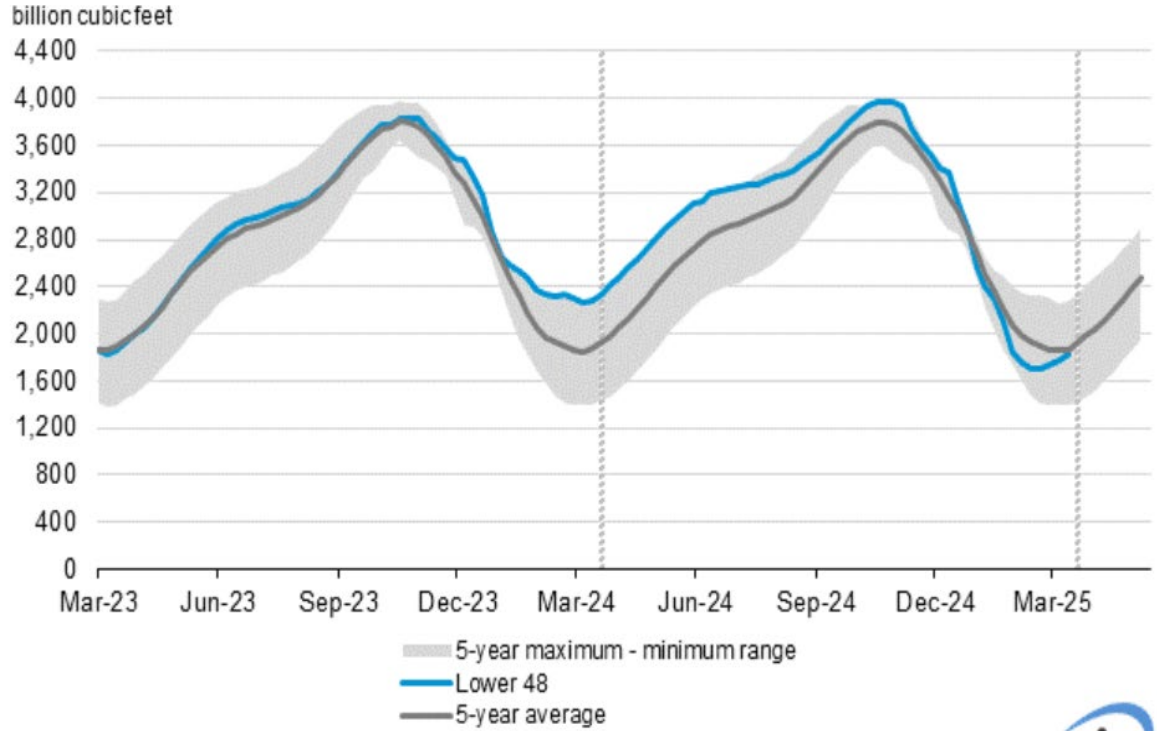


Natural Gas Storage Report

Region	Stocks billion cubic feet (Bcf)				Historical Comparisons			
	04/04/25	03/28/25	net change	implied flow	Year ago (04/04/24)		5-year average (2020-24)	
					Bcf	% change	Bcf	% change
East	296	284	12	12	362	-18.2	326	-9.2
Midwest	373	364	9	9	512	-27.1	422	-11.6
Mountain	165	165	0	0	165	0.0	109	51.4
Pacific	206	202	4	4	229	-10.0	174	18.4
South Central	789	758	31	31	1,011	-22.0	838	-5.8
Salt	233	218	15	15	298	-21.8	249	-6.4
Nonsalt	557	540	17	17	712	-21.8	589	-5.4
Total	1,830	1,773	57	57	2,280	-19.7	1,870	-2.1

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

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

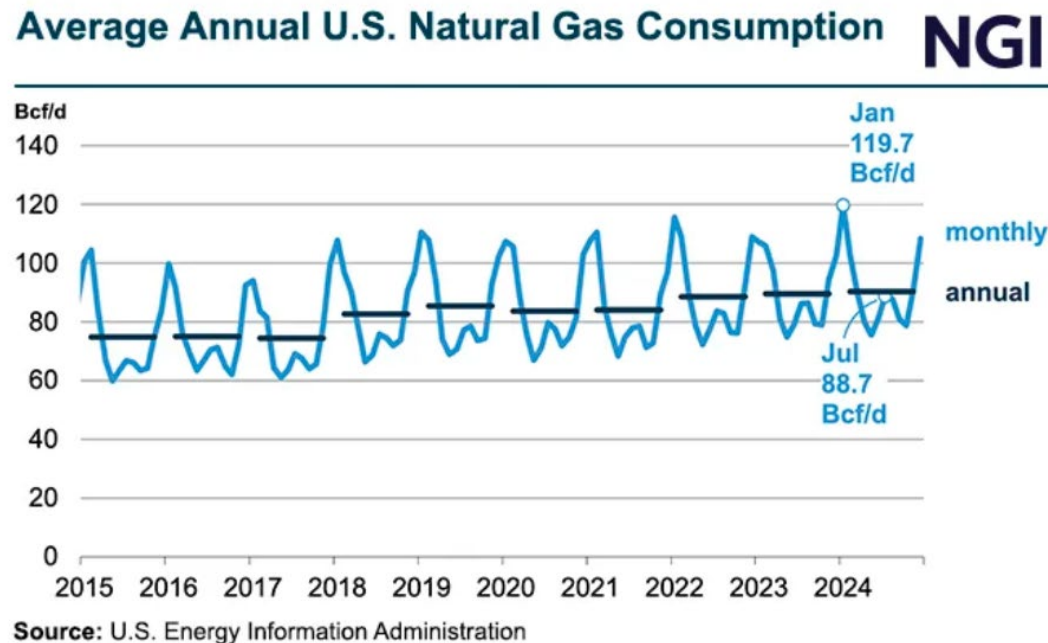


Data source: U.S. Energy Information Administration



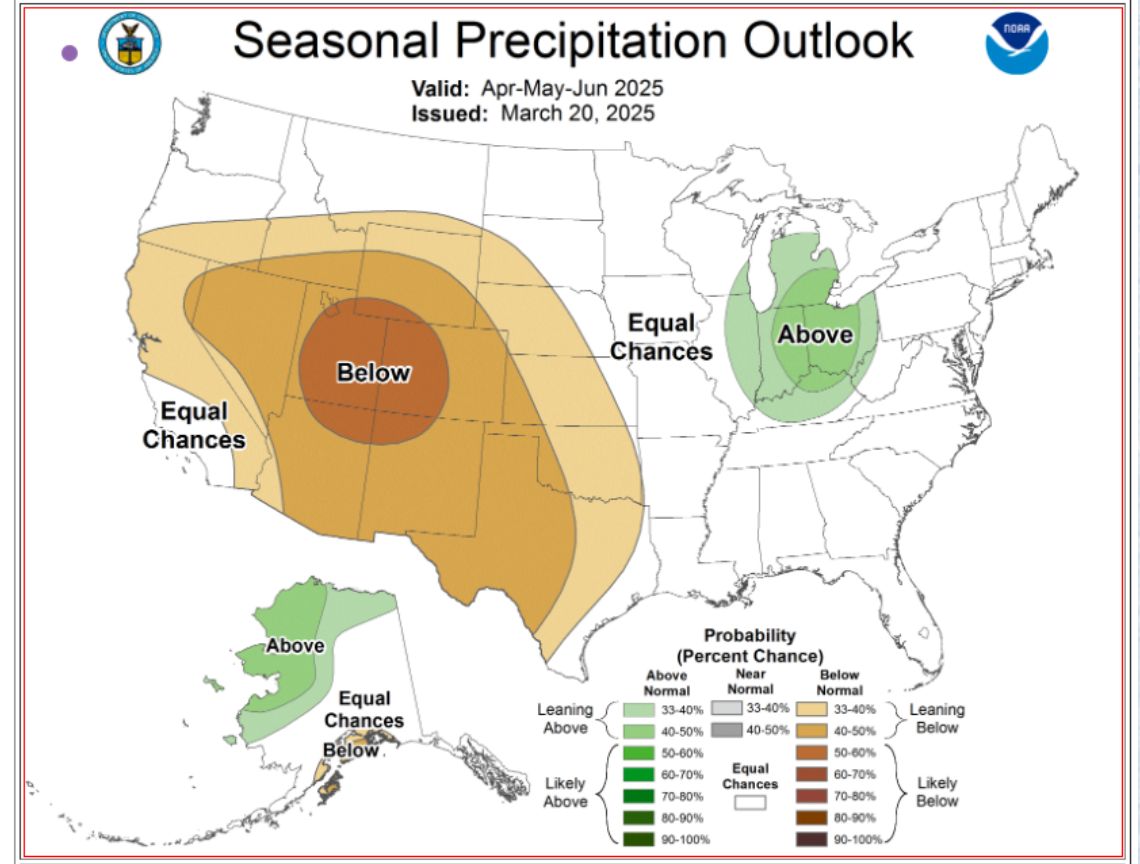
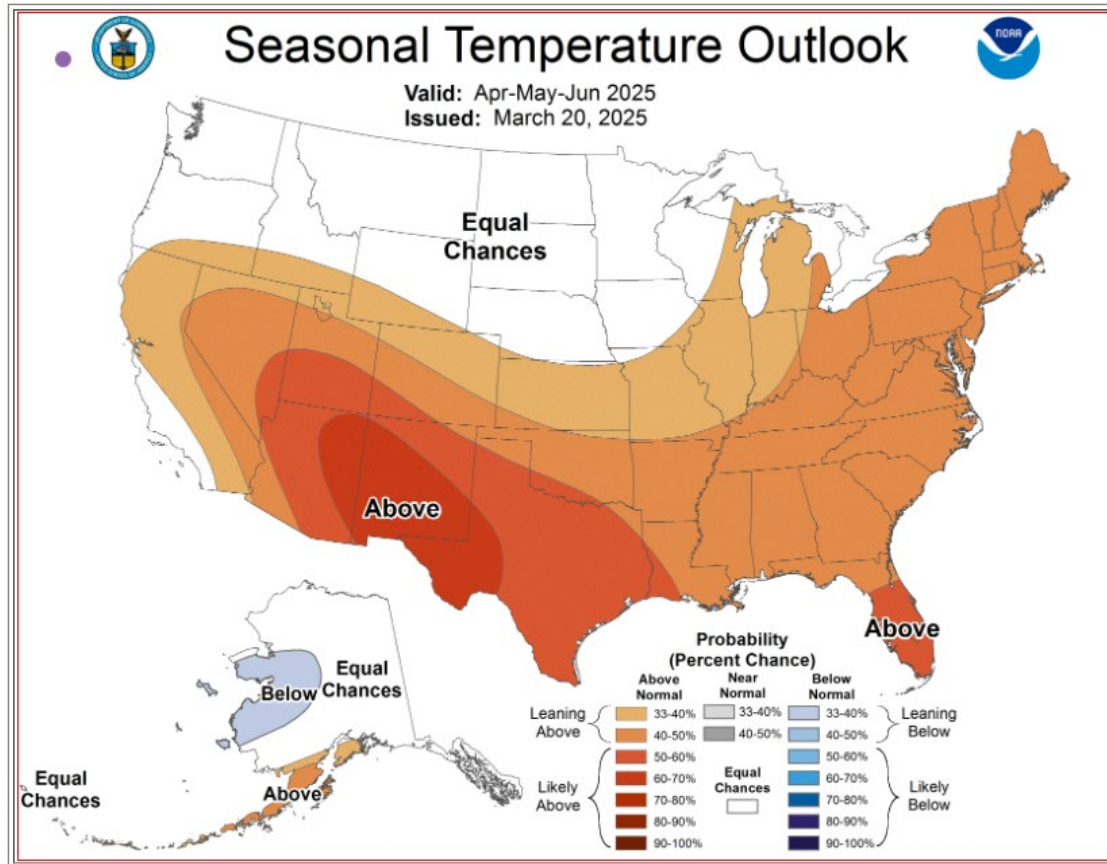
Released: April 10, 2025

U.S. Natural Gas Consumption in 2024

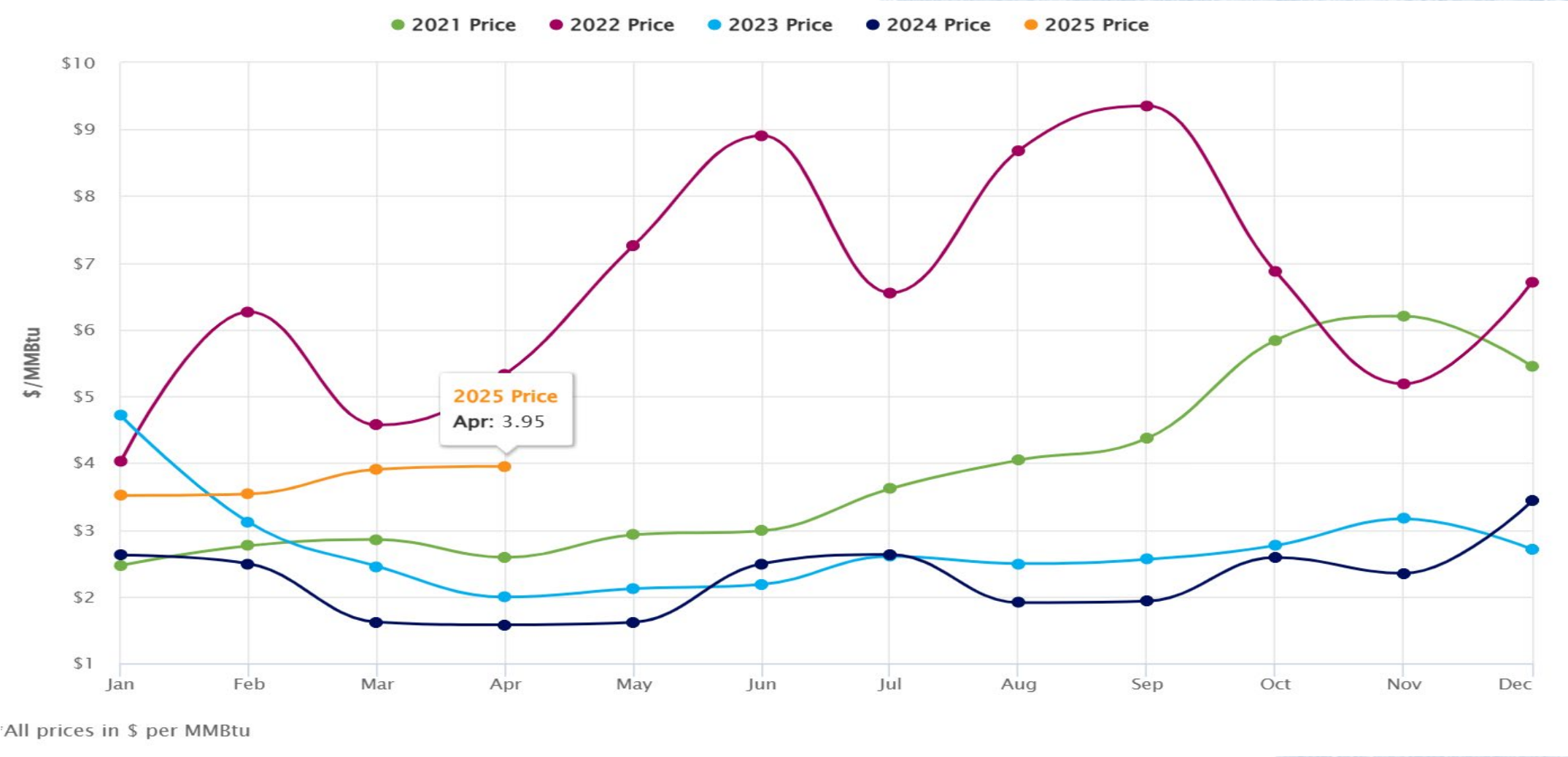


- According to the U.S. Energy Information Administration (EIA), Natural gas consumption in the United States hit summer and winter records last year and kept rising year/year in 2024.

Weather – Climate Prediction



NYMEX Natural Gas Monthly Settlement Pricing



Henry Hub Prices

Natural gas spot prices (Henry Hub)
dollars per million British thermal units



Data source: Natural Gas Intelligence

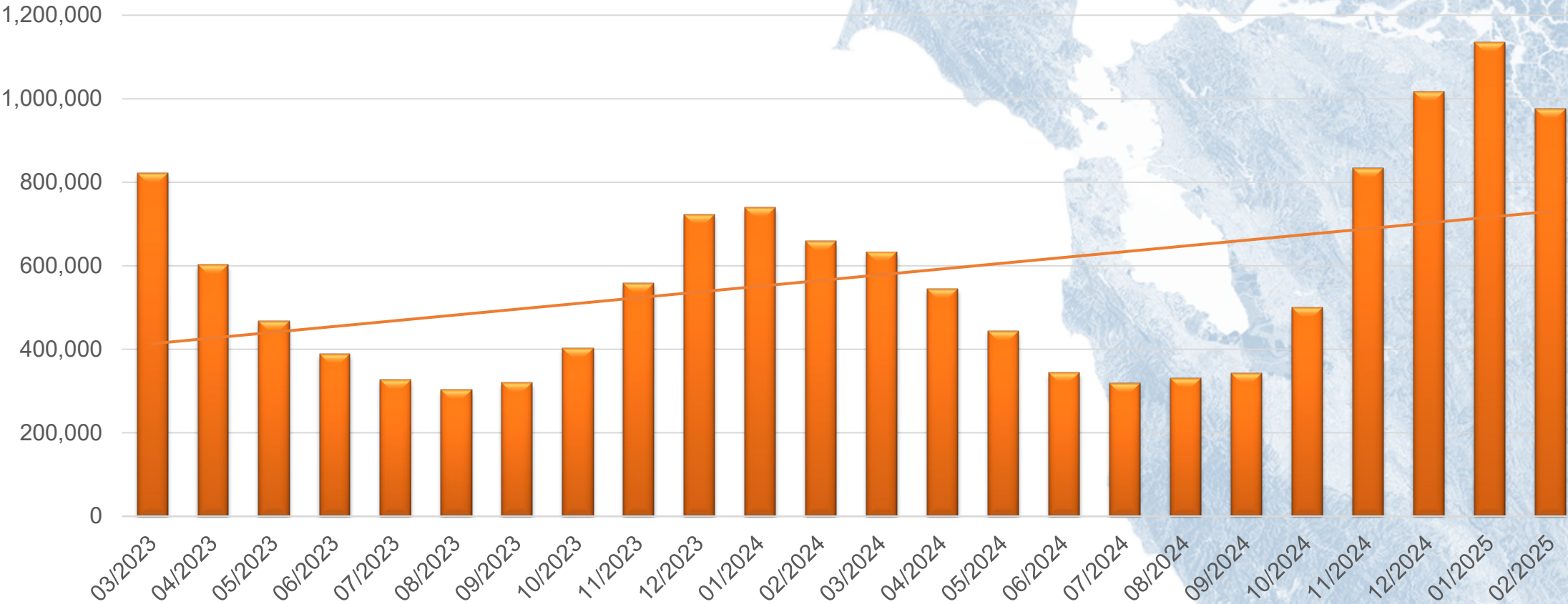


Program Overview

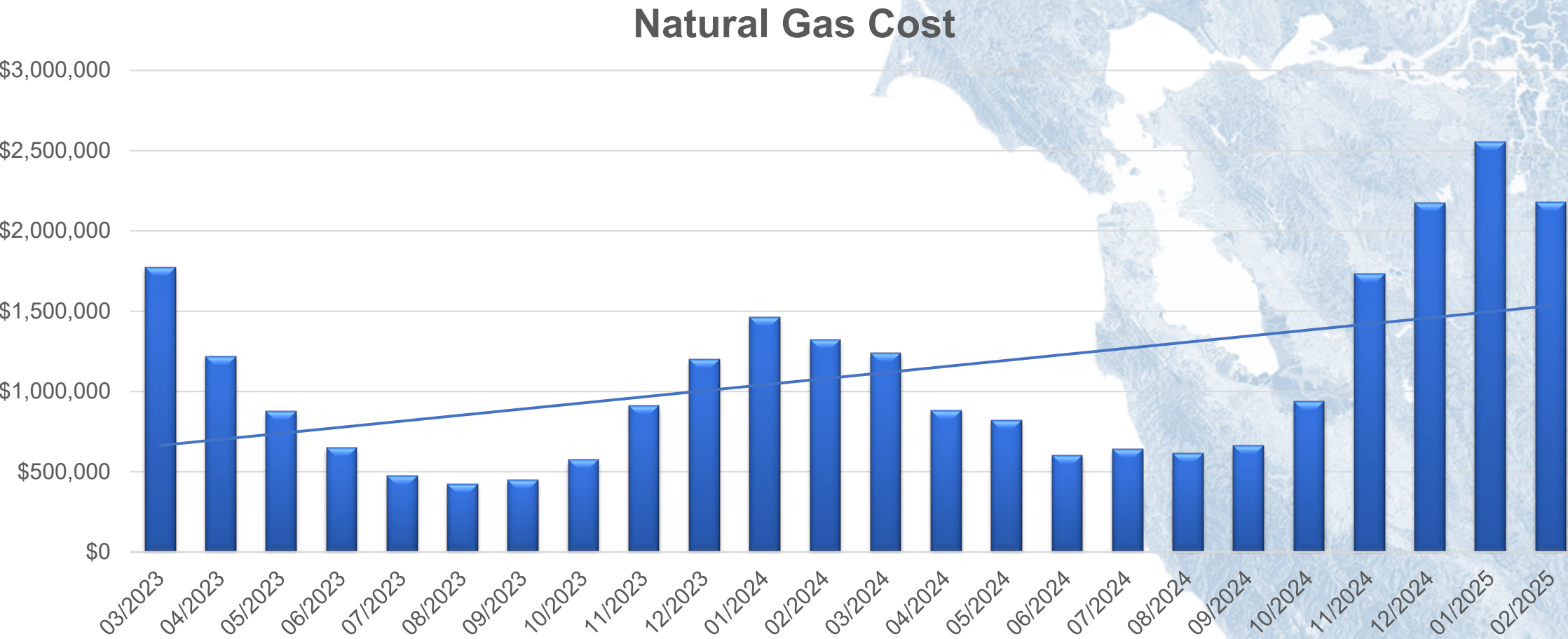


POWER Gas Usage

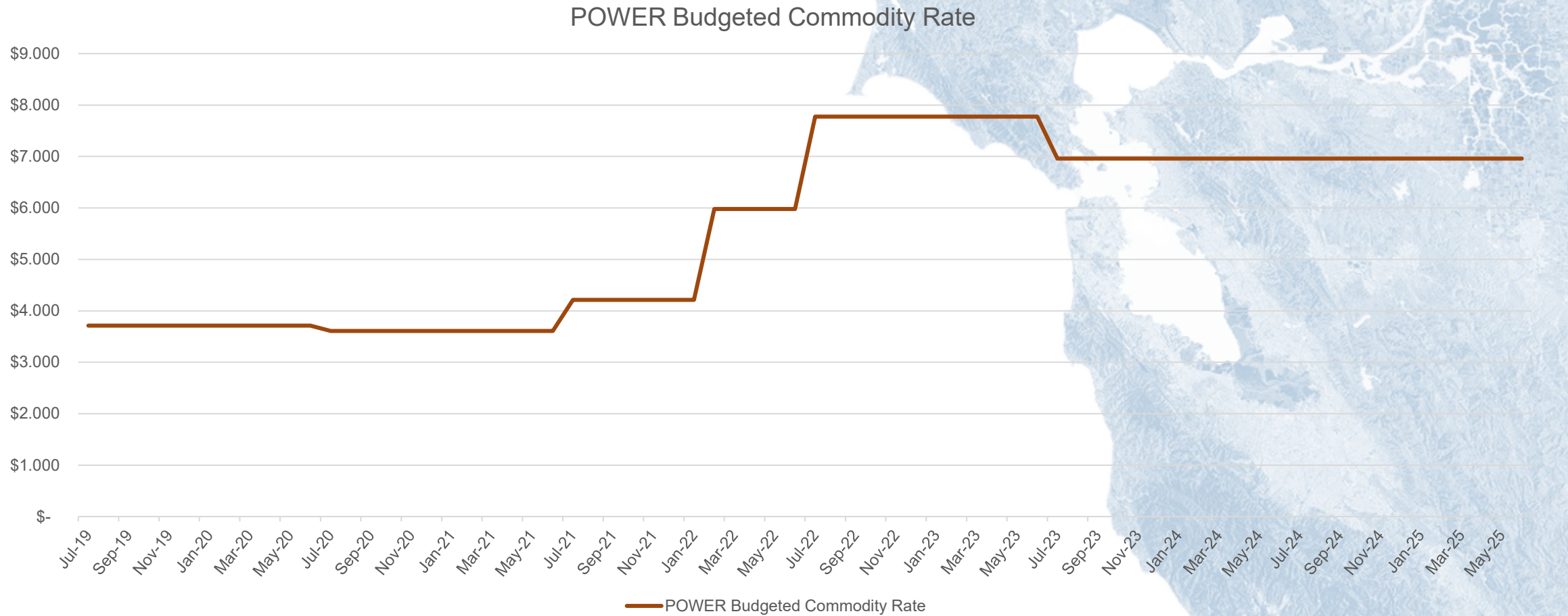
Natural Gas Usage (MMBtu)



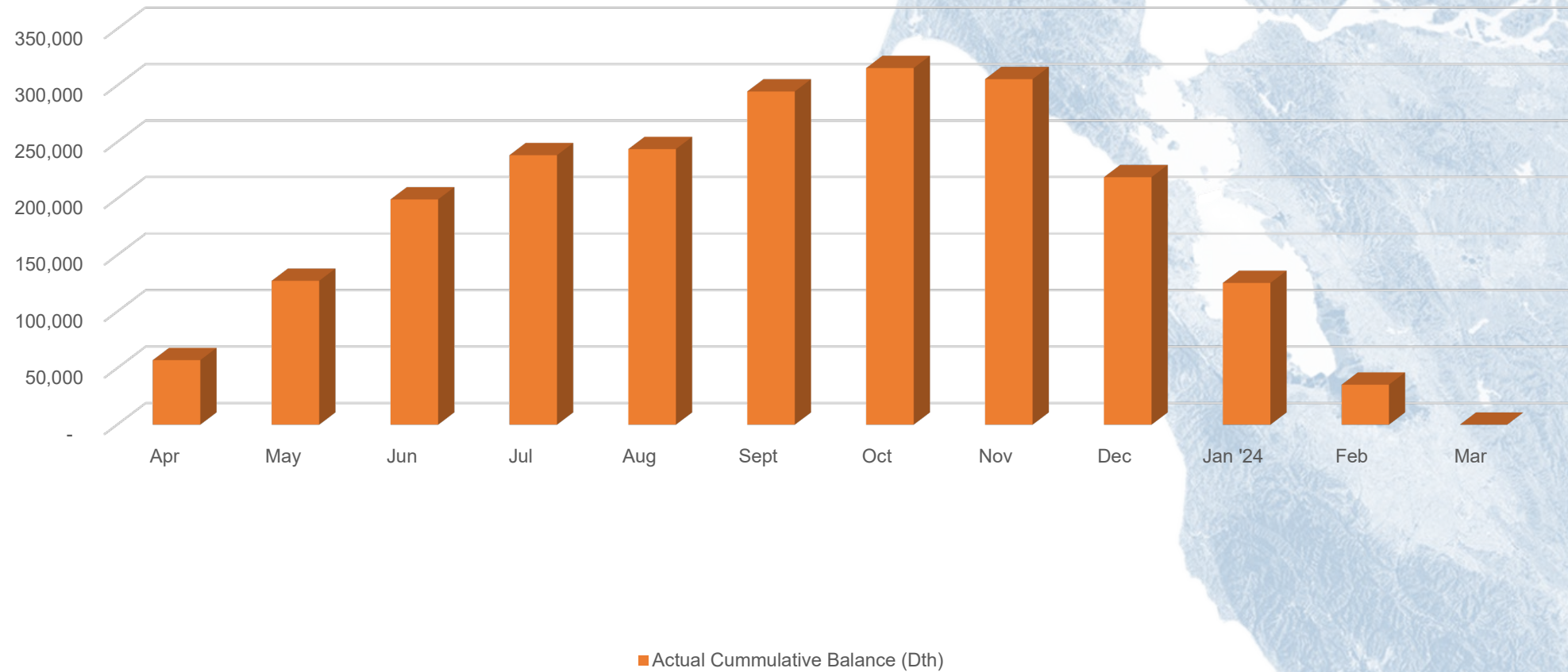
POWER Natural Gas Cost



POWER Budgeted Commodity Rate



POWER Gas Storage



Progress Update:

- Canadian gas import tariff.
- 2025-2026 Preliminary Budget.
- Updating POWER SOP.
- Discussion with potential members.
- Increasing the number of suppliers.
- Maximizing pipeline capacity.
- Maximizing storage capacity.



Q & A

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