



ASSOCIATION OF BAY AREA GOVERNMENTS
METROPOLITAN TRANSPORTATION COMMISSION

Memorandum

MTC-ABAG Memo

To:

Alix Bockelman, Deputy Executive Director, Policy
Brad Paul, Deputy Executive Director, Local Government Services
Jennifer Berg, Section Director, Energy

From:

Ryan Jacoby, Principal Program Manager, Local Government Services

Date:

June 5, 2023

Work Item Number:

1707

Regarding:

Sole Source Authorization – GPT Secure LLC

Recommended Action:

The purpose of this memorandum is to request sole source authorization for compelling business reasons to continue a professional services agreement between ABAG POWER and GPT Secure LLC for fiscal year 2023-24 in an amount not to exceed \$83,375.

Background:

ABAG POWER currently purchases natural gas from various suppliers within the United States and Canada. In order to transport gas from the point of receipt (California, Canada, and Oregon) to the point of consumption, these services (“scheduling services”) are required:

- Interacting with web-based electronic bulletin board and reporting systems used by pipeline operators
- Managing daily nominations and monthly balancing operations which requires a high degree of detail
- Proactively identifying and resolving supplier/transporter volume discrepancies, and
- Researching and evaluating transportation and storage strategies

On April 14, 2020, a Request for Proposals (RFP) was issued seeking firms with exemplary experience conducting scheduling services. The procurement closed on May 18, 2020; two proposals were received, and the evaluation panel determined that DMJ Gas Marketing Consultants, LLC (“DMJ”) was found most able to cost-effectively fulfill the services desired by the solicitation.

DMJ and ABAG POWER entered a contract effective October 1, 2020; however, on March 30, 2021, ABAG POWER provided DMJ a notice of termination without cause, effective April 7, 2021.

Scheduling services are a highly specialized and crucial component of ABAG POWER’s ability to operate as a natural gas service provider. It is extremely important that they continue uninterrupted daily, otherwise, ABAG POWER may be subject to significant fines and lose its ability to operate within Pacific Gas and Electric Company’s service territory.

Given this urgent need and the abrupt termination of DMJ, scheduling services transitioned to GPT Secure LLC (GPT), a California-based, minority-owned business enterprise with more than 15 years of experience providing scheduling services for third-party gas suppliers similar to ABAG POWER. Prior to the scheduling transition, in October 2020, GPT was selected through a competitive procurement to provide strategic program design services to ABAG POWER.

Since April 2021, GPT has delivered exceptional service providing scheduling activities. This performance record, the need for uninterrupted services, and the fact that historically, ABAG POWER has received minimal interest in scheduling services solicitations, provide a basis for compelling business reasons to extend the current scheduling services agreement through June 30, 2024.

Prepared by:

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For

Approve:

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