



Bay Area Metro Center
375 Beale Street
Suite 700
San Francisco, CA 94105

Meeting Agenda - Final

ABAG POWER Board of Directors

Thursday, May 25, 2023

11:00 AM

Yerba Buena - 1st Floor

**ABAG Publicly Owned Energy Resources
Board of Directors
Special Meeting No. 2023-01**

Teleconference Locations:

**Gonzales City Hall, City Manager's Office, 147 4th Street, Gonzales, CA 93926
Los Altos City Hall, City Manager's Office, 1 N. San Antonio Road, Los Altos, CA 94022
Milpitas City Hall, 455 East Calaveras Blvd, Milpitas, CA 95035
Moraga Administrative Office, 329 Rheem Boulevard, Moraga, CA 94556
Petaluma City Hall, City Manager's Office, 11 English St, Petaluma, CA 94952**

The agenda will be available publicly at: <https://abag.ca.gov/meetings>.

A Zoom panelist link for meeting participants will be sent separately to board members.

The meeting webcast will be available at: <https://abag.ca.gov/meetings-events/live-webcasts>.

Meeting attendees may opt to attend in person for public comment and observation at 375 Beale Street, Yerba Buena (1st Floor).

In-person attendees must adhere to posted public health protocols while in the building.

Members of the public are encouraged to participate remotely via Zoom at the following link or phone number:

**Attendee Link: <https://bayareametro.zoom.us/j/85795539468>
Join by Telephone: 888-788-0099 or 877-853-5247 (both toll free)
Webinar ID: 857 9553 9468**

Detailed instructions on participating via Zoom are available at:
<https://abag.ca.gov/zoom-information>.

Committee members and members of the public participating by Zoom wishing to speak should use the "raise hand" feature or dial "*9" and dial "*6" to unmute and speak.
In order to get the full Zoom experience, please make sure your application is up to date.

Chair, Vacant

Vice Chair, Doug Williams, City of Santa Rosa

Representative Roster:

Erin Smith, City of Alameda

Sean Prevette, Alameda Housing Authority

Mark Hurley, City of Albany

George Rodericks, Town of Atherton

Kyle Ochendusko, City of Benicia

Diana Oyler, County of Contra Costa

Andre Duurvoort, City of Cupertino

Dan Schoenholz, City of Fremont

Jennifer Mennucci, GGBHTD

Trevin Barber, City of Gonzales

Matthew Chidester, City of Half Moon Bay

Mike Robers, City of Hercules

Gabe Engeland, City of Los Altos

Trevor Atashkarian, City of Mill Valley

Sam Bautista, City of Millbrae

Elaine Marshall, City of Milpitas

Steve Leonardis, City of Monte Sereno

Annie To, Town of Moraga

Steve Lederer, County of Napa

Daniel Hamilton, City of Oakland

David Biggs, City of Orinda

Yulia Carter, City of Pacifica

Patrick Carter, City of Petaluma

Becky Hopkins, City of Pleasanton

Samantha Carr, City of Richmond

Adam Spaulding, City of Salinas

Steven Machida, City of San Carlos

April Miller, City of San Rafael

Gary Behrens, County of San Mateo

Brad Vance, County of Santa Clara

Doug Williams, City of Santa Rosa

Thomas Scott, City of Saratoga

Bob Calderon, City of Union City

Melissa Morton, Vallejo Sanitation and Flood Control District

Oscar Alcantar, City of Vallejo

Gabriel Gordo, City of Watsonville

Kathleen Trepa, City of Winters

Members of the public may participate by phone or Zoom or may submit comments by email at info@bayareametro.gov by 5:00 p.m. the day before the scheduled meeting date. Please include the committee or board meeting name and agenda item number in the subject line. Due to the current circumstances there may be limited opportunity to address comments during the meeting. All comments received will be submitted into the record.

1. Welcome and Introductions

Call to Order.

Doug Williams, ABAG POWER Executive Committee Vice Chair, City of Santa Rosa

Roll Call / Confirm Quorum.

Cindy Chen, Energy Programs Coordinator, ABAG/MTC

2. Public Comment

The public is encouraged to comment at Committee meetings. This public comment period is intended for comments on topics not agendized.

3. Consent Calendar

[23-0698](#) Approval of Minutes from October 20, 2022 Board of Directors Meeting.

Action: Approval

Presenter: Ryan Jacoby, Program Manager, ABAG/MTC

Attachments: [3.a- Approval of Minutes from 10202022 Board of Directors Meeting](#)

4. Election of Chair and Vice Chair and Ratification of the Executive Committee for Calendar Year 2023

[23-0699](#) Board of Directors to elect the Chair and Vice Chair and ratify the ABAG POWER Executive Committee for Calendar Year 2023.

Action: Approval

Presenter: Doug Williams, ABAG POWER Executive Committee Vice Chair, City of Santa Rosa

Attachments: [4.a- ABAG POWER Calendar Year 2023 Executive Committee](#)

5. Establishment of Renewable Natural Gas Program

[23-0700](#)

Adoption of Resolution No. 23-04, which 1) amends Sections 7A.1 Programs and 7.A.3 Program Committees of the Bylaws to create a Renewable Natural Gas Program and to have the Executive Committee serve as the Program Committee to the Renewable Natural Gas Program; 2) authorizes the Executive Director (or designee) of the Metropolitan Transportation Commission a) to negotiate and execute agreements with current ABAG POWER members to allow them to participate in the Renewable Natural Gas Program, and suppliers to provide renewable natural gas as part of the Renewable Natural Gas Program and b) to take actions incidental or necessary to establish and implement the Renewable Natural Gas Program, and 3) finds that the actions taken are exempt from environmental review pursuant to California Environmental Quality Act Guideline 15308, Actions by Regulatory Agencies for Protection of the Environment.

Action: Approval

Presenter: Kelly Schoonmaker, StopWaste
Ryan Jacoby, ABAG POWER Program Manager
Cara Morgan and Kathleen Strickley, CalRecycle
Shayne Petkiewicz, Anaergia

Attachments: [5.a- SB 1383 Regulations Procurement Overview](#)
[5.b- Proposed Renewable Natural Gas Program](#)
[5.c- Anaergia Overview](#)
[5.d.- Summary Sheet – Establishment of Renewable Natural Gas Program](#)
[5.e.- Resolution 23-04 Establishment of Renewable Natural Gas Program](#)
[5.f.- PublicComment_DaleRoberts](#)

6. Adjournment / Next Meeting

The next meeting of the ABAG POWER Executive Committee is on June 16, 2023.

Public Comment: The public is encouraged to comment on agenda items at Committee meetings by completing a request-to-speak card (available from staff) and passing it to the Committee secretary. Public comment may be limited by any of the procedures set forth in Section 3.09 of MTC's Procedures Manual (Resolution No. 1058, Revised) if, in the chair's judgment, it is necessary to maintain the orderly flow of business.

Meeting Conduct: If this meeting is willfully interrupted or disrupted by one or more persons rendering orderly conduct of the meeting unfeasible, the Chair may order the removal of individuals who are willfully disrupting the meeting. Such individuals may be arrested. If order cannot be restored by such removal, the members of the Committee may direct that the meeting room be cleared (except for representatives of the press or other news media not participating in the disturbance), and the session may continue.

Record of Meeting: Committee meetings are recorded. Copies of recordings are available at a nominal charge, or recordings may be listened to at MTC offices by appointment. Audiocasts are maintained on MTC's Web site (mtc.ca.gov) for public review for at least one year.

Accessibility and Title VI: MTC provides services/accommodations upon request to persons with disabilities and individuals who are limited-English proficient who wish to address Commission matters. For accommodations or translations assistance, please call 415.778.6757 or 415.778.6769 for TDD/TTY. We require three working days' notice to accommodate your request.

可及性和法令第六章: MTC 根據要求向希望來委員會討論有關事宜的殘疾人士及英語有限者提供服務/方便。需要便利設施或翻譯協助者，請致電 415.778.6757 或 415.778.6769 TDD / TTY。我們要求您在三個工作日前告知，以滿足您的要求。

Acceso y el Titulo VI: La MTC puede proveer asistencia/facilitar la comunicación a las personas discapacitadas y los individuos con conocimiento limitado del inglés quienes quieran dirigirse a la Comisión. Para solicitar asistencia, por favor llame al número 415.778.6757 o al 415.778.6769 para TDD/TTY. Requerimos que solicite asistencia con tres días hábiles de anticipación para poderle proveer asistencia.

Attachments are sent to Committee members, key staff and others as appropriate. Copies will be available at the meeting.

All items on the agenda are subject to action and/or change by the Committee. Actions recommended by staff are subject to change by the Committee.



Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #: 23-0698 **Version:** 1 **Name:**
Type: Action Item **Status:** Committee Approval
File created: 4/26/2023 **In control:** ABAG POWER Board of Directors
On agenda: 5/25/2023 **Final action:**
Title: Approval of Minutes from October 20, 2022 Board of Directors Meeting.
Sponsors:
Indexes:
Code sections:
Attachments: [3.a- Approval of Minutes from 10202022 Board of Directors Meeting](#)

Date	Ver.	Action By	Action	Result
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Subject:
Approval of Minutes from October 20, 2022 Board of Directors Meeting.

Presenter:
Ryan Jacoby, Program Manager, ABAG/MTC

Recommended Action:
Approval

Attachments: List any attachments.



Metropolitan Transportation Commission Meeting Minutes 3 - Draft

Bay Area Metro Center
375 Beale Street
Suite 700
San Francisco, CA 94105

ABAG POWER Board of Directors

Thursday, October 20, 2022

11:00 AM

REMOTE

**ABAG Publicly Owned Energy Resources
Board of Directors
Meeting No. 2022-01**

Chair: Angela Walton, City of Richmond

Vice Chair: Doug Williams, City of Santa Rosa

Agenda and roster available at <https://abag.ca.gov/our-work/energy-infrastructure/power>.

For information, contact Clerk of the Committee at (415) 820-7973.

Committee Representative Roster:

Erin Smith, City of Alameda

Stephanie Shipe, Alameda Housing Authority

Mark Hurley, City of Albany

George Rodericks, Town of Atherton

Kyle Ochendusko, City of Benicia

Diana Oyler, County of Contra Costa

Andre Duurvoort, City of Cupertino

Dan Schoenholz, City of Fremont

Jennifer Mennucci, GGBHTD

Rene Mendez, City of Gonzales

Matthew Chidester, City of Half Moon Bay

Mike Robers, City of Hercules

Gabe Engeland, City of Los Altos

Eric Erickson, City of Mill Valley

Craig Centis, City of Millbrae

Chris Schroeder, City of Milpitas

Steve Leonardis, City of Monte Sereno

Annie To, Town of Moraga

Steve Lederer, County of Napa

Daniel Hamilton, City of Oakland

David Biggs, City of Orinda

Yulia Carter, City of Pacifica

Patrick Carter, City of Petaluma

Becky Hopkins, City of Pleasanton

Angela Walton, City of Richmond

Brian Frus, City of Salinas

Steven Machida, City of San Carlos

Continues on next page...

Bill Guerin, City of San Rafael
Gary Behrens, County of San Mateo
Lin Ortega, County of Santa Clara
Doug Williams, City of Santa Rosa
Thomas Scott, City of Saratoga
Mark Camfield, City of Union City
Melissa Morton, Vallejo Sanitation and Flood Control District
Oscar Alcantar, City of Vallejo
Gabriel Gordo, City of Watsonville
Kathleen Tropa, City of Winters

Staff Roster:

Brad Paul
Arleicka Conley
Suzanne Bode
Andrea Visveshwara
Jennifer Berg
Karen Kristiansson
Ryan Jacoby
Cindy Chen (Clerk)

1. Welcome and Introductions

Vice Chair Williams called the meeting to order at 11:25 a.m. Quorum was present.

Call to order.

Angela Walton, ABAG POWER Executive Committee Chair, City of Richmond

Roll Call / Confirm Quorum.

Cindy Chen, Energy Programs Coordinator, ABAG/MTC

[22-1500](#)

Attachments: [1.a- ABAG POWER JPA Member List](#)

Trevor Atashkarian acted as a delegate and voting member of the Board in place of Eric Erickson. Adam Spaulding acted as a delegate and voting member of the Board in place of Brian Frus. Patrick Hutchinson acted as a delegate and voting member of the Board in place of Oscar Alcantar.

Present: 16 - Board Member Oyler, Board Member Duurvoort, Board Member Frus, Board Member Lederer, Board Member Mennucci, Board Member Rodericks, Board Member Schoelholz, Board Member Schroeder, Board Member Williams, Board Member Alcantar, Board Member Erickson, Board Member Carter, Board Member To, Board Member Centis, Board Member Hopkins, and Board Member Shipe

Absent: 21 - Board Member Camfield, Board Member Chidester, Board Member Guerin, Board Member Machida, Board Member Gordo, Board Member Hamilton, Board Member Hurley, Board Member Mendez, Board Member Morton, Board Member Ortega, Board Member Scott, Board Member Walton, Board Member Behrens, Board Member Biggs, Board Member Smith, Board Member Robers, Board Member Leonardis, Board Member Engeland, Board Member Trepa, Board Member Ochendusko, and Board Member Carter

2. Public Comment

Vice Chair Williams invited any member of the public in attendance to provide public comment on items not on the agenda. None was provided.

3. Consent Calendar

[22-1493](#) Approval of ABAG POWER Resolution No. 22-10 Assembly Bill 361 (Rivas) Remote Meetings.

Attachments: [3.a- ABAG POWER Resolution 22-10 AB 361 Remote Meeting](#)

[22-1494](#) Approval of Minutes from October 21, 2021 Board of Directors Meeting.

Attachments: [3.b.- Approval of Minutes from October 21, 2021 Board of Directors Meeting](#)

Motion was made by Committee Member Schroeder and seconded by Committee Member Shipe to approve the Consent Calendar, consisting of the ABAG POWER Resolution No. 22-10 providing for remote meetings pursuant to AB 361 and the Meeting Minutes of October 21, 2021. The motion passed by the following vote:

Aye: 15 - Board Member Oyler, Board Member Duurvoort, Board Member Frus, Board Member Lederer, Board Member Rodericks, Board Member Schoelholz, Board Member Schroeder, Board Member Williams, Board Member Alcantar, Board Member Erickson, Board Member Carter, Board Member To, Board Member Centis, Board Member Hopkins, and Board Member Shipe

Absent: 22 - Board Member Camfield, Board Member Chidester, Board Member Guerin, Board Member Machida, Board Member Gordo, Board Member Hamilton, Board Member Hurley, Board Member Mendez, Board Member Mennucci, Board Member Morton, Board Member Ortega, Board Member Scott, Board Member Walton, Board Member Behrens, Board Member Biggs, Board Member Smith, Board Member Robers, Board Member Leonardis, Board Member Engeland, Board Member Trepa, Board Member Ochendusko, and Board Member Carter

4. ABAG POWER Audited Financial Statements and Reports for Fiscal Year 2021-22

Suzanne Bode, Acting Section Director for Financial Reporting and Operational Accounting, and Kathy Lai, Lead Engagement Partner from Crowe, LLP, presented the audited financial results for Fiscal Year 2021-22.

[22-1495](#) Staff will present for Board acceptance audited financial statements and reports for Fiscal Year 2021-22.

Attachments: [4.a.- FY21-22 Audit Results and Required Communications Presentation](#)
[4.b.- FY21-22 Audit Results and Required Communications](#)
[4.c.- FY21-22 ABAG POWER Financial Reports and Year End Audit Results](#)
[4.d.- FY21-22 Financial Statements and Reports](#)

Motion was made by Committee Member Duurvoort and seconded by Committee Member Schroeder to approve the Fiscal Year 2021-22 audited financial statements and reports. The motion passed by the following vote:

Aye: 16 - Board Member Oyler, Board Member Duurvoort, Board Member Frus, Board Member Lederer, Board Member Mennucci, Board Member Rodericks, Board Member Schoelholz, Board Member Schroeder, Board Member Williams, Board Member Alcantar, Board Member Erickson, Board Member Carter, Board Member To, Board Member Centis, Board Member Hopkins, and Board Member Shipe

Absent: 21 - Board Member Camfield, Board Member Chidester, Board Member Guerin, Board Member Machida, Board Member Gordo, Board Member Hamilton, Board Member Hurley, Board Member Mendez, Board Member Morton, Board Member Ortega, Board Member Scott, Board Member Walton, Board Member Behrens, Board Member Biggs, Board Member Smith, Board Member Robers, Board Member Leonardis, Board Member Engeland, Board Member Tropa, Board Member Ochendusko, and Board Member Carter

5. Election of ABAG POWER Chair and Vice Chair

[22-1496](#) Board of Directors to approve the ABAG POWER Executive Committee for Calendar Year 2023, including the election of Chair and Vice Chair.

Attachments: [5.a.- ABAG POWER Calendar Year 2023 Executive Committee](#)

Motion was made by Committee Member Schroeder and seconded by Committee Member Oyler to approve the calendar year 2023 Executive Committee, including the election of Chair and Vice Chair. The motion passed by the following vote:

Aye: 16 - Board Member Oyler, Board Member Duurvoort, Board Member Frus, Board Member Lederer, Board Member Mennucci, Board Member Rodericks, Board Member Schoelholz, Board Member Schroeder, Board Member Williams, Board Member Alcantar, Board Member Erickson, Board Member Carter, Board Member To, Board Member Centis, Board Member Hopkins, and Board Member Shipe

Absent: 21 - Board Member Camfield, Board Member Chidester, Board Member Guerin, Board Member Machida, Board Member Gordo, Board Member Hamilton, Board Member Hurley, Board Member Mendez, Board Member Morton, Board Member Ortega, Board Member Scott, Board Member Walton, Board Member Behrens, Board Member Biggs, Board Member Smith, Board Member Robers, Board Member Leonardis, Board Member Engeland, Board Member Tropa, Board Member Ochendusko, and Board Member Carter

6. ABAG-MTC Agency and Local Government Services Update

Brad Paul, Deputy Executive Director, provided an overview of the history and recent activities on Association of Bay Area Government (ABAG) and Metropolitan Transportation Commission (MTC) on Local Government Services (LGS) section.

[22-1497](#) Staff will provide an update on Association of Bay Area Governments (ABAG) and Metropolitan Transportation Commission's (MTC) governance and the Local Government Services section.

Attachments: [6.a.- ABAG-MTC Governance and LGS Update](#)
[6.b.- ABAG-MTC Governance and LGS Update Presentation](#)

7. Staff Report and Review of Natural Gas Program

Ryan Jacoby, ABAG POWER Program Manager, presented an overview of the ABAG POWER operations and the natural gas aggregation program's fiscal year 2021-22 highlights and financial comparison.

[22-1498](#) Staff will report the results of the Natural Gas Program for the 2021-22 Fiscal Year and provide a joint presentation regarding current program design and stakeholder engagement activities.

Attachments: [7.a.- Staff Report on FY21-22 Natural Gas Program Presentation](#)
[7.b.- Staff Report on FY21-22 Natural Gas Program](#)

8. Guest Speaker: BayREN Proposed Public Sector Program

Karen Kristiansson, BayREN's Codes & Standard Program Manager, presented the BayREN Business Plan for program years 2024-2031 on the proposed Public Sector programs, focusing on Integrated Energy Services and Targeted Decarbonization Services.

[22-1499](#) Staff will provide presentations on the BayREN Business Plan filed for program years 2024-2031 and on the proposed Public Sector programs.

Attachments: [8.a.- BayREN Business Plan, Resilient Libraries Network Initiative and Proposed Public Sector Programs](#)

9. Adjournment / Next Meeting

Vice Chair Williams adjourned the meeting at 1:15p.m. The next meeting is the ABAG POWER Executive Committee Special Meeting scheduled to be held on November 17, 2022.



Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #: 23-0699 **Version:** 1 **Name:**
Type: Action Item **Status:** Committee Approval
File created: 4/26/2023 **In control:** ABAG POWER Board of Directors
On agenda: 5/25/2023 **Final action:**
Title: Board of Directors to elect the Chair and Vice Chair and ratify the ABAG POWER Executive Committee for Calendar Year 2023.

Sponsors:

Indexes:

Code sections:

Attachments: [4.a- ABAG POWER Calendar Year 2023 Executive Committee](#)

Date	Ver.	Action By	Action	Result
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Subject:

Board of Directors to elect the Chair and Vice Chair and ratify the ABAG POWER Executive Committee for Calendar Year 2023.

Presenter:

Doug Williams, ABAG POWER Executive Committee Vice Chair, City of Santa Rosa

Recommended Action:

Approval

Attachments: List any attachments.

Association of Bay Area Governments Publicly Owned Energy Resources

ABAG POWER

Board of Directors

May 25, 2023

Agenda Item 4.a.

Election of Chair and Vice Chair and Ratification of Executive Committee

Subject:

Election of Chair and Vice Chair and Ratification of Executive Committee for Calendar Year 2023

Background:

The ABAG POWER Bylaws provide that the Executive Committee shall be comprised of the Chair and Vice Chair, who are elected by the members, and three to nine members entitled to cast a vote (Article 7.1). In February 2023, Executive Committee Member Chris Schroeder retired from his agency, vacating his position on the Executive Committee, and in March 2023, former Chair Angela Walton retired from her agency, vacating her position on the Executive Committee. At the April 20, 2023, meeting, per ABAG POWER Bylaw 7.1.4, the Vice Chair appointed Becky Hopkins to serve as an Executive Committee Member. Currently, four members serve on the Executive Committee, with Vice Chair Williams, acting as Chair. It is proposed that the Board elect Doug Williams as Chair, and Andre Duurvoort as Vice Chair for the remainder of Calendar Year 2023, and to ratify the Executive Committee membership for the remainder of the Calendar Year 2023 as follows:

Chair: Doug Williams, City of Santa Rosa
Vice Chair: Andre Duurvoort, City of Cupertino

Committee members:

- Becky Hopkins, City of Pleasanton
- Diana Oyler, County of Contra Costa

With only four members, there will still be at least one seat vacant on the Executive Committee per Article 7.1. Staff will continue to work with the Chair to recruit members to serve on the Executive Committee.

Issues:

None.

Agenda Item 4.a. – Election of Chair and Vice Chair and Ratification of Executive Committee

May 25, 2023

Page 2 of 2

Recommended Action:

The ABAG POWER Board of Directors is requested to elect the proposed Chair and Vice Chair and ratify the Executive Committee for Calendar Year 2023.

Attachments:

None.

Reviewed:

DocuSigned by:
Brad Paul
8C3380BA165B4D1...

Brad Paul



Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #: 23-0700 **Version:** 1 **Name:**

Type: Action Item **Status:** Committee Approval

File created: 4/26/2023 **In control:** ABAG POWER Board of Directors

On agenda: 5/25/2023 **Final action:**

Title: Adoption of Resolution No. 23-04, which 1) amends Sections 7A.1 Programs and 7.A.3 Program Committees of the Bylaws to create a Renewable Natural Gas Program and to have the Executive Committee serve as the Program Committee to the Renewable Natural Gas Program; 2) authorizes the Executive Director (or designee) of the Metropolitan Transportation Commission a) to negotiate and execute agreements with current ABAG POWER members to allow them to participate in the Renewable Natural Gas Program, and suppliers to provide renewable natural gas as part of the Renewable Natural Gas Program and b) to take actions incidental or necessary to establish and implement the Renewable Natural Gas Program, and 3) finds that the actions taken are exempt from environmental review pursuant to California Environmental Quality Act Guideline 15308, Actions by Regulatory Agencies for Protection of the Environment.

Sponsors:

Indexes:

Code sections:

- Attachments:**
- [5.a- SB 1383 Regulations Procurement Overview](#)
 - [5.b- Proposed Renewable Natural Gas Program](#)
 - [5.c- Anaergia Overview](#)
 - [5.d.- Summary Sheet – Establishment of Renewable Natural Gas Program](#)
 - [5.e.- Resolution 23-04 Establishment of Renewable Natural Gas Program](#)
 - [5.f.- PublicComment_DaleRoberts.pdf](#)

Date	Ver.	Action By	Action	Result
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Subject:

Adoption of Resolution No. 23-04, which 1) amends Sections 7A.1 Programs and 7.A.3 Program Committees of the Bylaws to create a Renewable Natural Gas Program and to have the Executive Committee serve as the Program Committee to the Renewable Natural Gas Program; 2) authorizes the Executive Director (or designee) of the Metropolitan Transportation Commission a) to negotiate and execute agreements with current ABAG POWER members to allow them to participate in the Renewable Natural Gas Program, and suppliers to provide renewable natural gas as part of the Renewable Natural Gas Program and b) to take actions incidental or necessary to establish and implement the Renewable Natural Gas Program, and 3) finds that the actions taken are exempt from environmental review pursuant to California Environmental Quality Act Guideline 15308, Actions by Regulatory Agencies for Protection of the Environment.

Presenter:

Kelly Schoonmaker, StopWaste
Ryan Jacoby, ABAG POWER Program Manager
Cara Morgan and Kathleen Strickley, CalRecycle
Shayne Petkiewicz, Anaergia

Recommended Action:

Approval

Attachments: List any attachments.



STOP WASTE

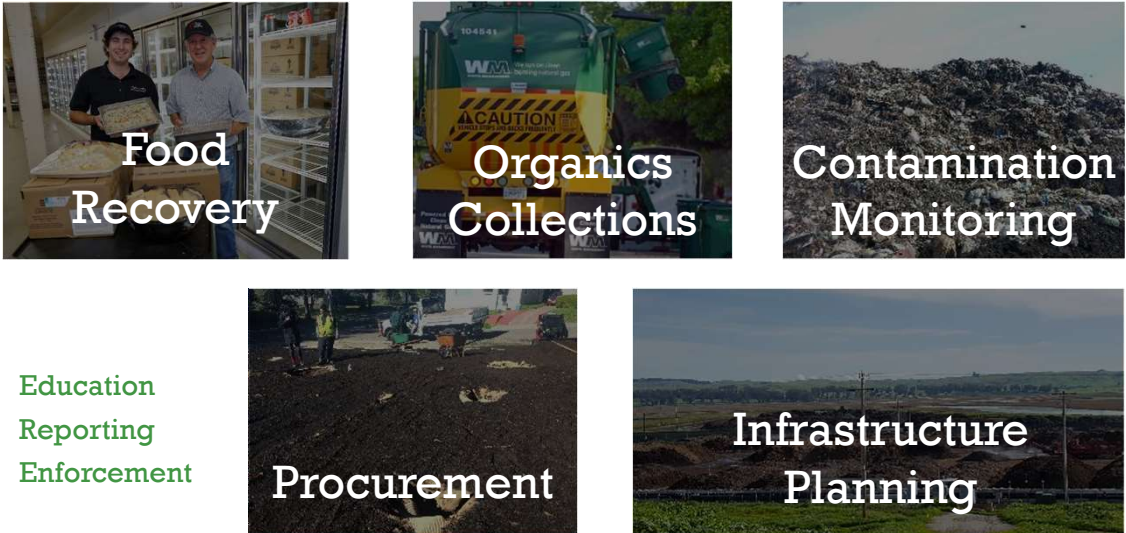
at home • at work • at school

SB 1383 Regulations: Procurement Overview

Kelly Schoonmaker, Program Manager
kschoonmaker@stopwaste.org

1

SB 1383 regulations address almost all aspects of the organics cycle



- Education
- Reporting
- Enforcement

STOP WASTE

2

What is included in “organics”?

Food

Green Material

Wood

Manure

Biosolids & Digestate

Paper

Textiles*

Carpet*

STOPWASTE 3

3

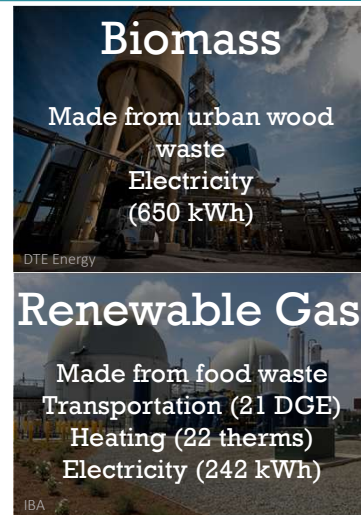
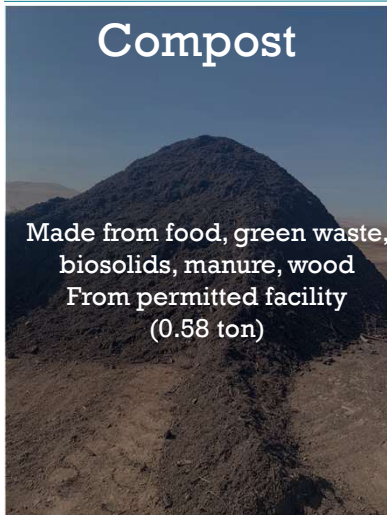
Recycled Organic Waste Product Procurement Requirements

- Cities and counties must procure a minimum amount of recovered organic waste products every year.
- Must be made from materials diverted from landfill
- Target based on:
 - Population size
 - 0.08 tons organic waste *disposed* per person (statewide average)
 - For city of 100,000 people, target = 8,000 tons organics products
 - Target phase-in: 30% 2023, 65% 2024, 100% 2025
- Procure = obtain for use or to give away
- Annual tracking and reporting requirements
- Fines for non-compliance (\$500 - \$10,000/day)

STOPWASTE 4

4

What are the “Recovered Organic Waste Products”?



5

How to meet the **recovered organic materials** procurement requirements?

- Procurement by jurisdiction for use or to give away
- Procurement by direct service providers (DSP)
 - DSP's can be anyone with a contract to procure this material on behalf of jurisdiction:
 - Contractors
 - Partners
 - Can set up DSP agreement with end user through broker
 - Agreement must be prospective—in advance of the procurement
 - DSP must provide jurisdiction with documentation for record-keeping and reporting

6

What will jurisdictions need to do?

- Identify potential for use within jurisdiction and facilitate procurement through existing requirements
 - How much is the jurisdiction already using?
 - Inventory annual energy and fuel use for RNG/biomass, and available landscape area for compost and mulch use
 - Incorporate specifications into contracts and purchase orders; require vendor reporting, and maintain invoices/receipts
 - Identify potential direct service providers
- Internal coordination:
 - Recycling staff
 - Finance and procurement
 - Public works and parks
- Set up record-keeping and reporting systems across departments, vendors, contractors

7




Questions?

8

ABAG POWER


Proposed Renewable Natural Gas Program

May 25, 2023
Board of Directors Special Meeting



1


Organizational History



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 →



METROPOLITAN TRANSPORTATION COMMISSION

MTC is responsible for planning, financing and coordinating transportation for the nine-county San Francisco Bay Area.

mtc.ca.gov →

- 1 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**
- 2 Staff of ABAG were consolidated under MTC in 2017. **Now, a combined 400 employees serve both agencies,** resulting in:
 - Better collaboration
 - Integration on common goals
 - Operating efficiencies

2

2

Membership & Governance

37 Participating Entities

Each city, county, or special district 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



ABAG POWER Principal Staff



Andrea Visveshwara
Senior Counsel



Jennifer Berg
Director
Energy Section



Ryan Jacoby
Principal
Program Manager



Cindy Chen
Energy Programs
Coordinator

3

3

Operating Environment



ABAG POWER

- Develops and implements aggregated purchasing strategy for core & non-core
- Conducts consolidated billing
- Provides responsive and helpful customer service

PG&E

- Owns and maintains transmission and distribution infrastructure
- Provides account data

PROGRAM PARTICIPANT

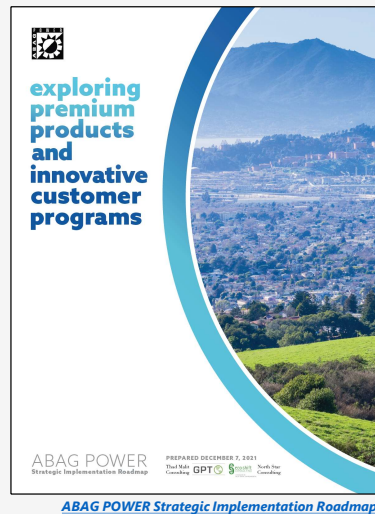
- Receives gas for use in municipal facilities or fueling stations
- Governs ABAG POWER

4

4

Strategic Implementation Roadmap

- ABAG POWER is committed to supporting the goals of the customers and communities we serve. Increasingly, those goals are climate-related.
- Following significant stakeholder engagement, the program in 2021 adopted a Strategic Implementation Roadmap that encourages (among other things) near-term development of:
 - a default product bundled with carbon offsets
 - voluntary transitional electrification incentives
 - **renewable natural gas (SB 1383 / 1440)**
 - transparent and socially responsible supply



5

5

Renewable Natural Gas (RNG)

- **What is it?**
 - Upgraded, pipeline-quality biogas produced by the breakdown of raw materials such as agricultural waste, manure, municipal waste, sewage, food waste, etc.
- **Does it align with the JPA's purpose and members' goals?**
 - *Strong alignment with the JPA's purpose. Many members consider RNG a necessary "drop in" solution for near-to-mid-term timeframes and hard-to-electrify scenarios.*
- **Why now?**
 - *Recent legislation (SB 1383/1440) is driving market transformation.*



Bottom left: BioCycle, Annapolis, Maryland | Bottom right: New York City Department of Environmental Protection

6

6

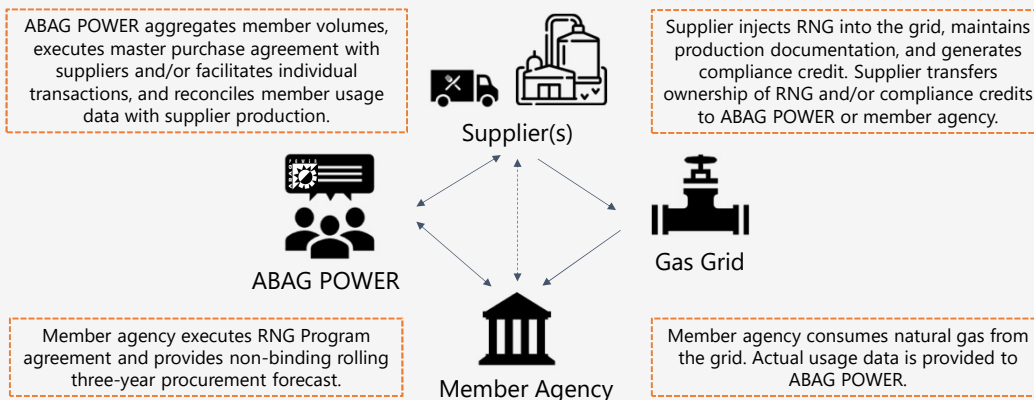
Proposed RNG Program – Anticipated Scope of Products

1. RNG and/or Compliance Credits that qualify for SB 1383 procurement requirements		2. RNG and/or Compliance Credits for purposes other than SB 1383 compliance <i>(e.g., Climate Action Plans, LCFS, etc.)</i>
<ul style="list-style-type: none"> ✓ California ✗ Out of State 	<i>Production Location</i>	<ul style="list-style-type: none"> ✓ California ✓ Out of State
<ul style="list-style-type: none"> ✓ Organic waste diverted from landfill ✗ Other sources 	<i>Production Source</i>	<ul style="list-style-type: none"> ✓ Organic waste diverted from landfill ✓ Other sources (dairies, landfills, wastewater treatment, etc.)

7

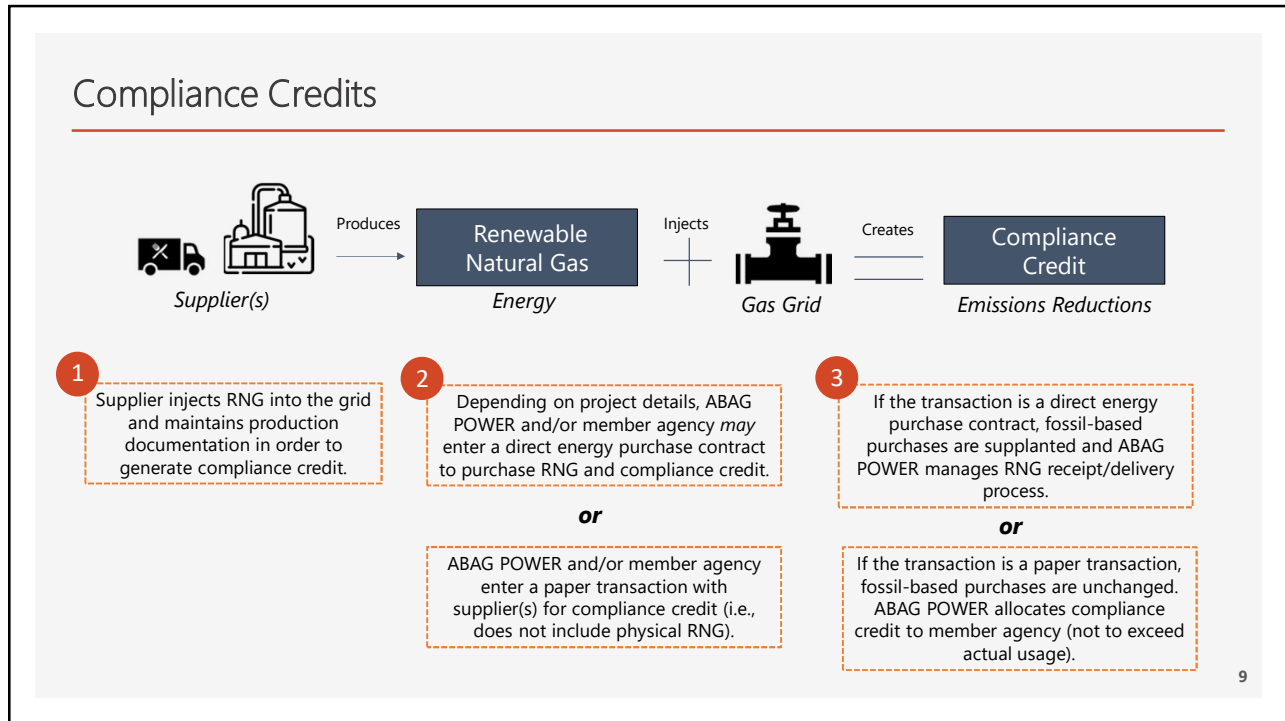
7

Anticipated Agreement Structure



8

8



9

Why ABAG POWER?

- Member-driven request that provides one of only a few current options for compliance credit
- Not-for-profit business model that aligns with JPA's mission and staff expertise
- Program is voluntary and there is no obligation to participate

ABAG POWER Stakeholder Engagement Round 2
(Jul-Sep. 2021, 11 responses)

Would your jurisdiction/organization consider enrolling in an ABAG POWER program that provides easy access to SB 1383-compliant RNG supplies?

10 (91%) Yes | 1 (9%) No

Legend: ■ Yes ■ Maybe, Depends on Price ■ No

ABAG POWER SB 1383 Member Survey #1
(Feb-Jun 2022, 21 responses)

Q3: Would your jurisdiction be interested in purchasing [SB 1383 renewable gas or electricity] products from ABAG POWER?

18 (90%) Yes | 2 (10%) No

Legend: ■ Yes ■ No

10

10

Recommended Actions

1. Establish a voluntary Renewable Natural Gas (RNG) Program through:

- Adoption of Resolution 23-04 (agenda item 5.e.)
- Amendment to the Bylaws (specific language included in Resolution 23-04)

2. Delegate authority to the Executive Committee to:

- Approve as-to-form the RNG Program membership agreement
- Authorize new RNG Program members, provided they are a current member of ABAG POWER
- Authorize execution of RNG and/or compliance credit purchase/sale agreements with potential suppliers

3. Find the actions taken are exempt from environmental review pursuant to CEQA

11

11

Proposed Next Steps

- **June 16 Executive Committee Meeting**
 - ✓ Consider approval as-to-form the RNG Program member agreement
- **Interim/Ongoing**
 - ✓ Inform prospective members of program establishment
 - ✓ Review and execute purchase/sale agreements with interested members
 - ✓ Identify and evaluate suppliers based on procurement forecasts
- **October 30 Board of Directors Meeting**
 - ✓ Staff report and status update

12

12

Questions & Comments

Thank you.

ABAG/MTC
Principal Program Manager
Ryan Jacoby
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(415) 820-7956

Anaergia



Shayne Petkiewicz
Business Development Manager
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Fueling a Sustainable World



Enabling a Zero Waste Future

Wastewater
Biosolids



Source Separated
Organics



Municipal Solid
Waste



Food Processing
Waste



Agricultural Waste



Integrated Solutions



Renewable
Power



Renewable
Gas



Recyclables



Fertilizer



Clean Water

Our mission is to convert waste into useful resources, protect the environment, and sustain life for generations to come.

Anaergia at a Glance



Publicly
Traded

230+

RNG plans built since 2010

12 Facilities

RNG facilities owned across North America
and Europe

400

employees with in house
technology, engineering, and
operations

231

active and pending
patents

10 Offices

8 regional project offices and 2
manufacturing facilities on
4 continents



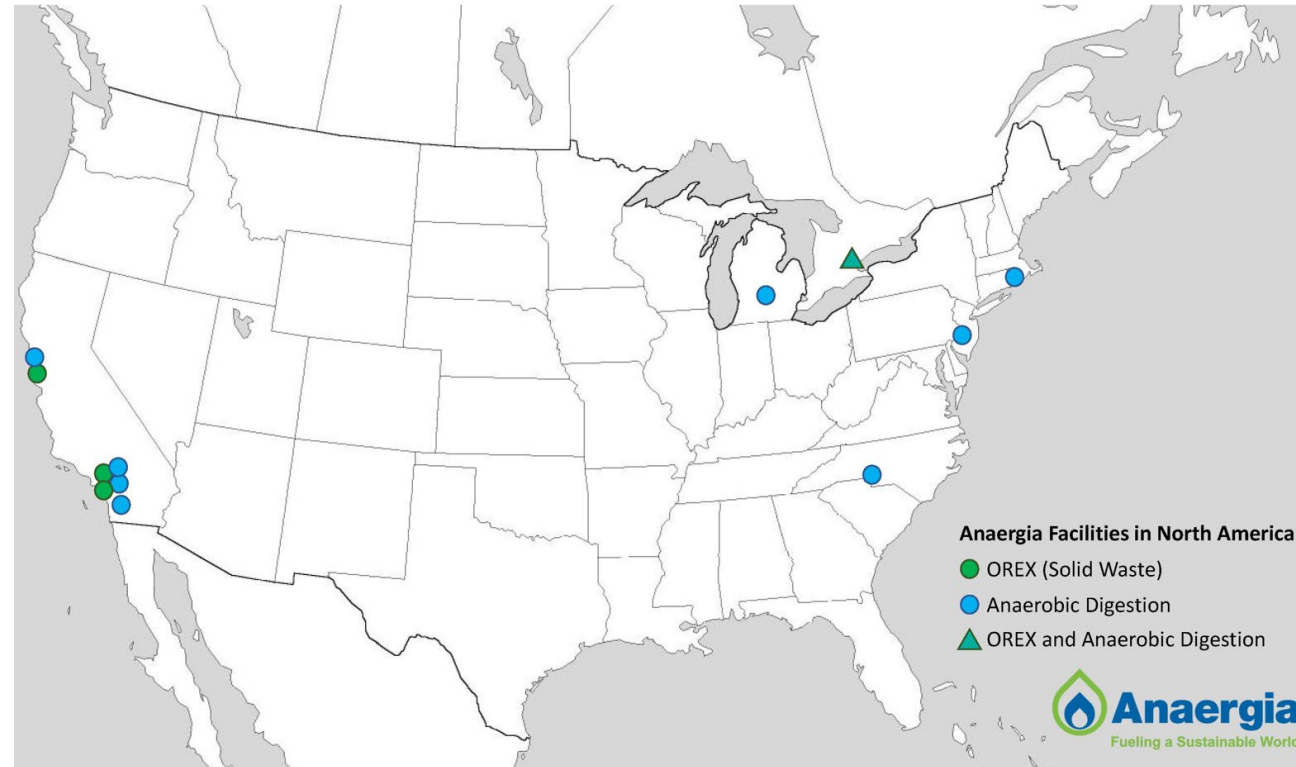
Leading Global Footprint of Select Reference Installations

Anaergia has installed facilities with approximately 8 million tonnes of annual waste feedstock capacity and 5 million MMBtus of annual RNG production capacity



1. Warsaw, NC, US (2022)
2. Nottingham, UK (2020)
3. Camden, NJ, US (2019)
4. Changi, Singapore (2019)
5. Toronto, Canada (2018)
6. Limassol, Cyprus (2017)
7. Ulu Pandan, Singapore (2016)
8. Highland, CA, US (2022)
9. Okayama, Japan (2022)
10. South San Francisco, CA, US (2021)
11. Dagenham, UK (2013, 2020)
12. Gordemitz, Germany (2020)
13. Sun Valley, CA, US (2020)
14. San Carlos, CA, US (2020)
15. Distell Worcester, South Africa (2019)
16. Yabu, Japan (2018)
17. Shenzhen, China (2018)
18. Venta De Banos, Spain (2018)
19. Viareggio, Italy (2016)
20. Victorville, CA, US (2015)

Anaergia: Innovative Resource Recovery Technologies with Flexible Project Delivery



1700+ Projects
Rich project development and execution experience

4 Continents
Understanding local conditions globally

TSX: ANRG

230+ Patents Granted/Pending
Continuous R&D and Innovation

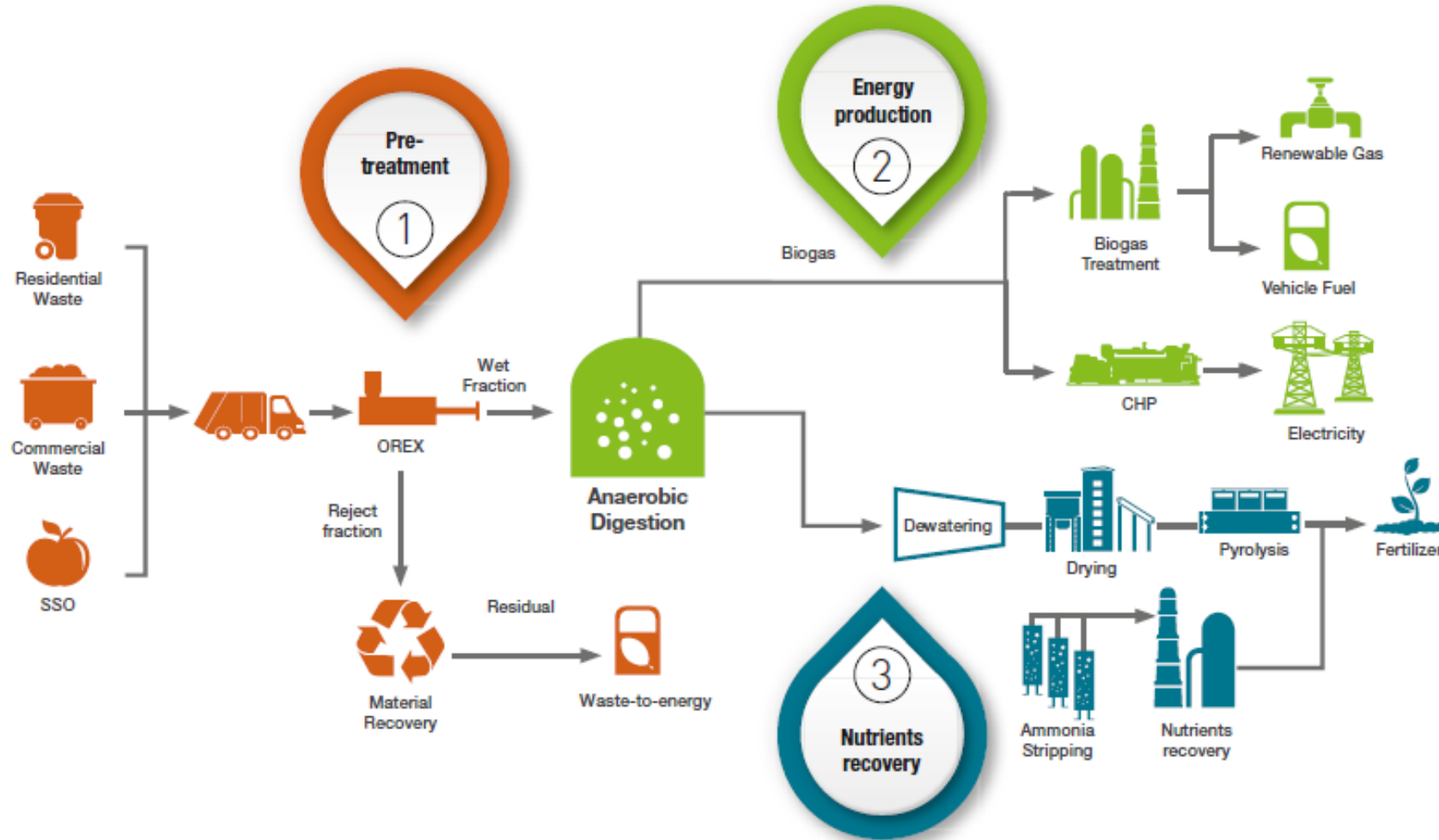
10 Offices/400+ Employees
Global footprint with local expertise

3 Manufacturing Facilities
In house manufacturing expertise





Anaergia's Capability Across Solid Waste and Wastewater



Select North American Facilities

Flexible delivery combinations of Design Build Own Operate Finance (DBOOF)



Solid Waste



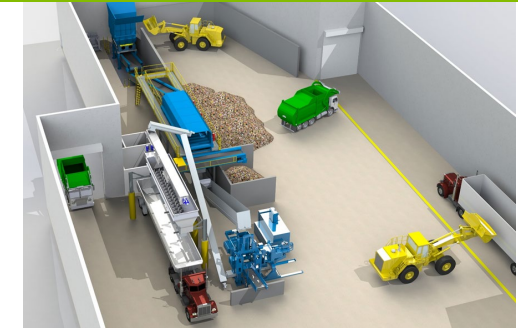
**SOUTH BAYSIDE WASTE
MANAGEMENT AUTHORITY
SAN CARLOS, CA
DB + SERVICE**



**WASTE MANAGEMENT
SUN VALLEY, CA
DB + SERVICE**



**CITY OF TORONTO
TORONTO, CANADA
PROCESS + SUPPLY + O&M**



**UNIVERSAL WASTE SYSTEMS
LOS ANGELES, CA
DB + SERVICE**

Wastewater



**ANAERGIA
RIALTO, CA
DBOOF**



**EAST VALLEY WATER DISTRICT
HIGHLAND, CA
SUPPLY**



**VICTOR VALLEY WATER
RECLAMATION AUTHORITY
VICTORVILLE, CA
DBOOF**



**CAMDEN COUNTY MUNICIPAL
UTILITIES AUTHORITY
CAMDEN, NJ
SUPPLY + O&M**



**HALE AVENUE RESOURCE
RECOVERY FACILITY
ESCONDIDO, CA
DBOOF**

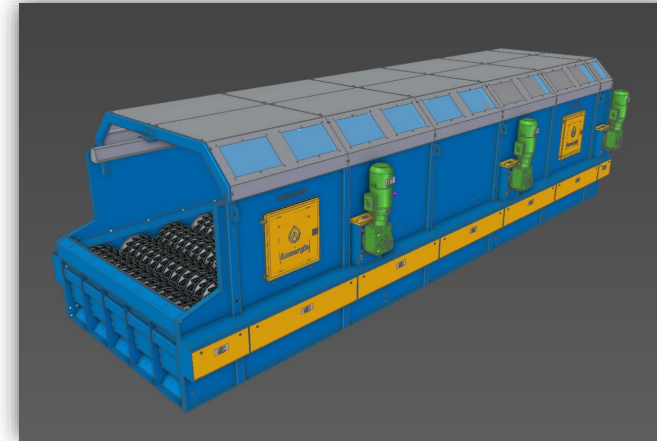


Engineering: Anaergia Solid Waste Technologies

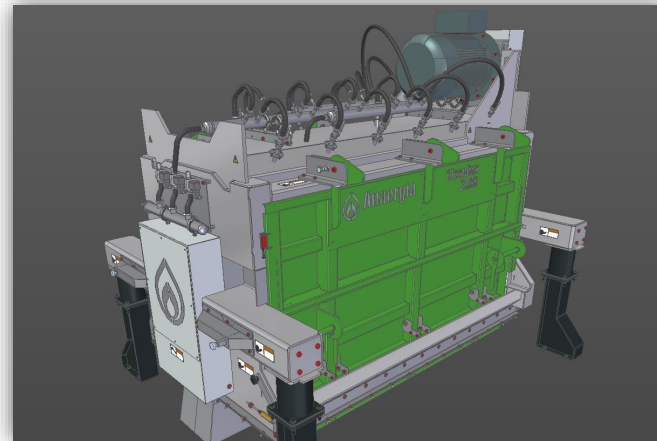
Bag Opener Riptor®



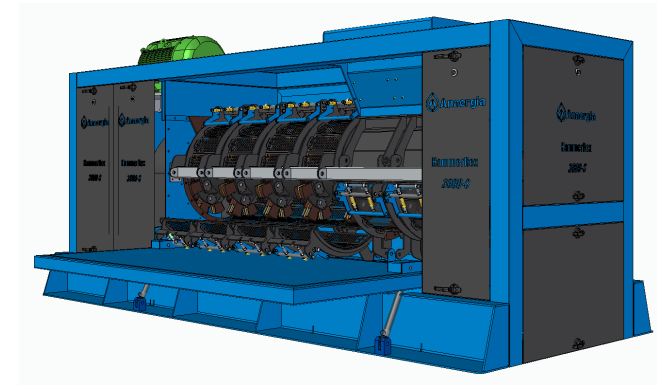
Disc Screen



CleanRex®



CleanREX – 3000H





Anaergia's OREX is compatible with any collection scheme (1-, 2-, 3-cart)

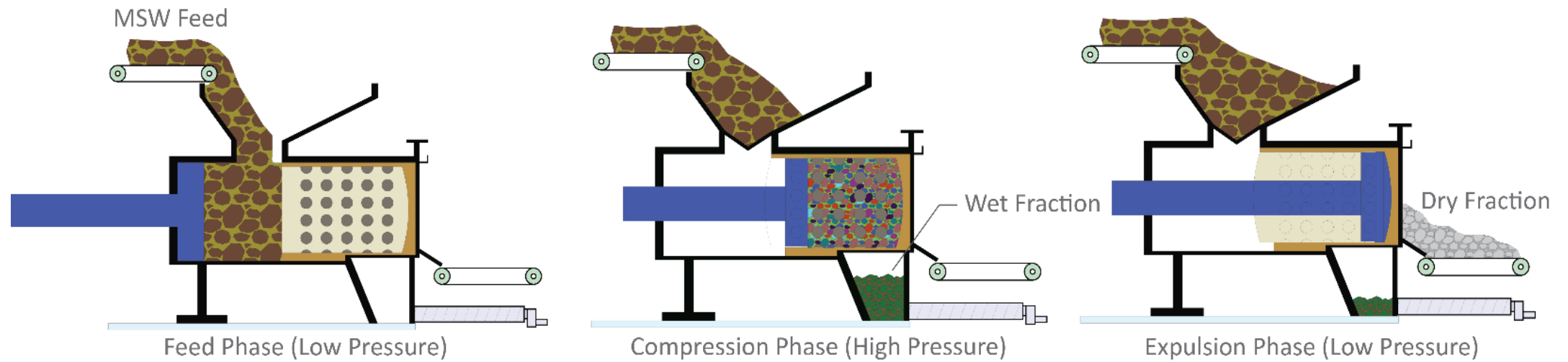


OREX 1000





OREX recovers organics from MSW via organic extrusion technology





OREX is compatible with various organic waste streams (SSO, MSW)



SSO

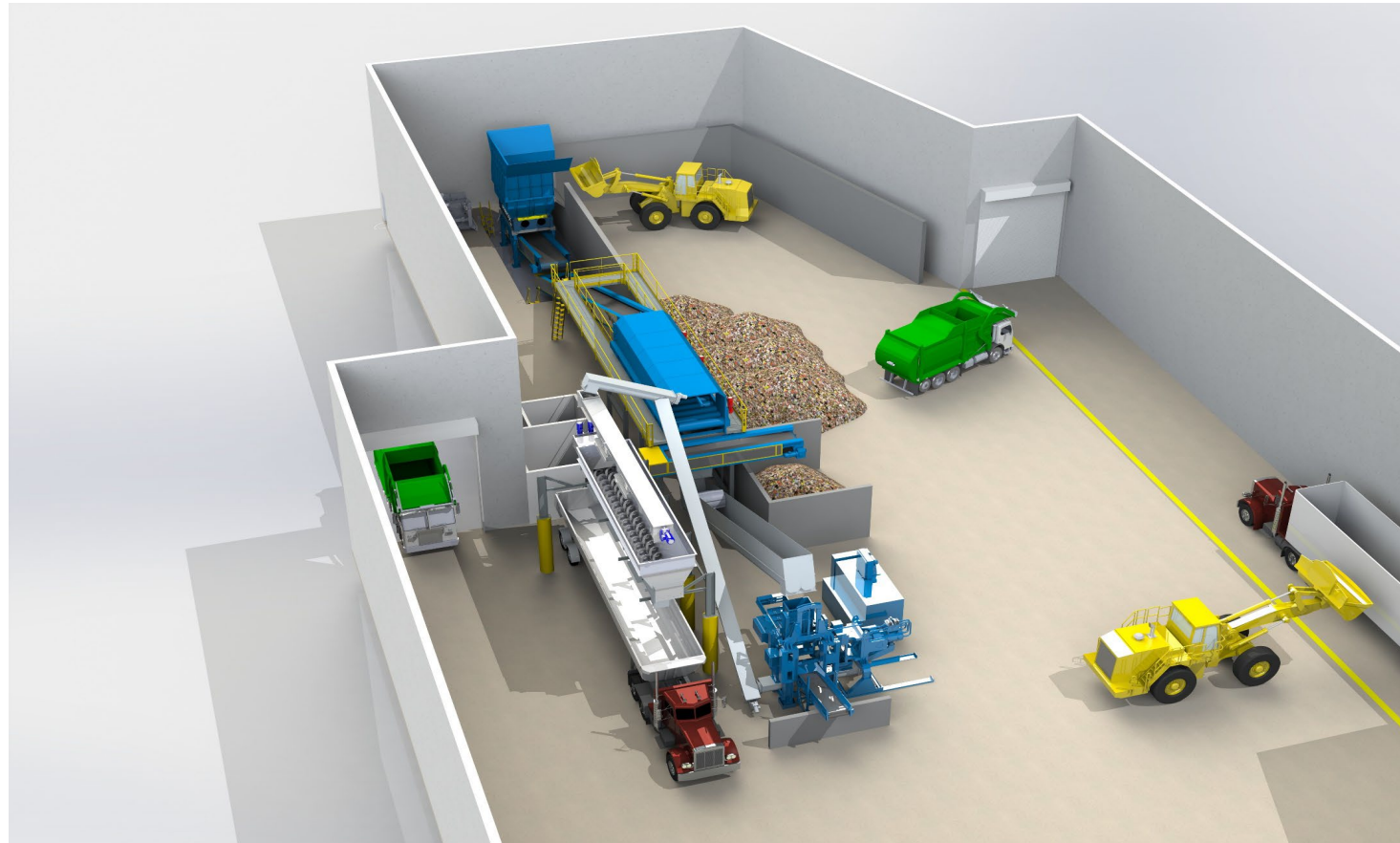


MSW





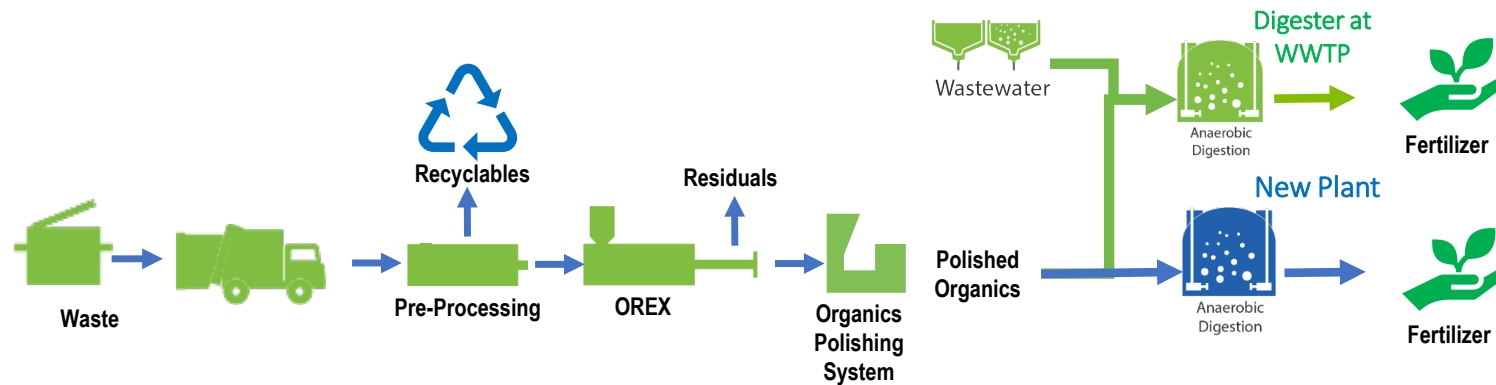
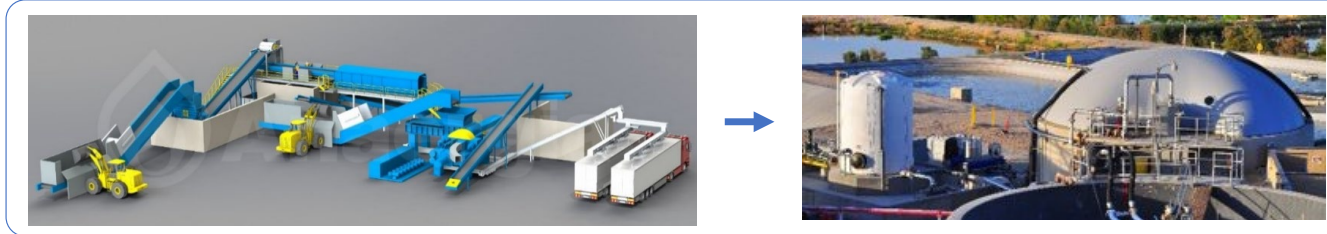
Anaergia can deliver turn-key organics recovery lines



OREX line rendering



OREX + Organics Polishing System (OPS) Generates Digestible Organic Slurry





Organic Polishing System (OPS)



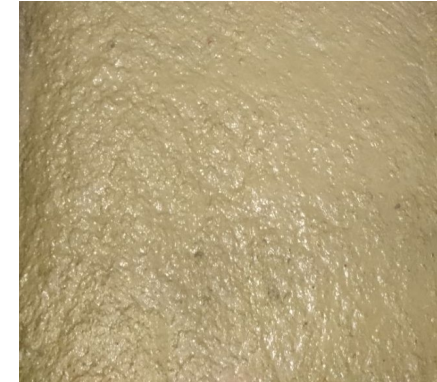


Organic Polishing System (OPS) - Lights & Inert/Grit Removal

Unpolished Organics



Polished Organics



Lights & Inert/Grits Contamination

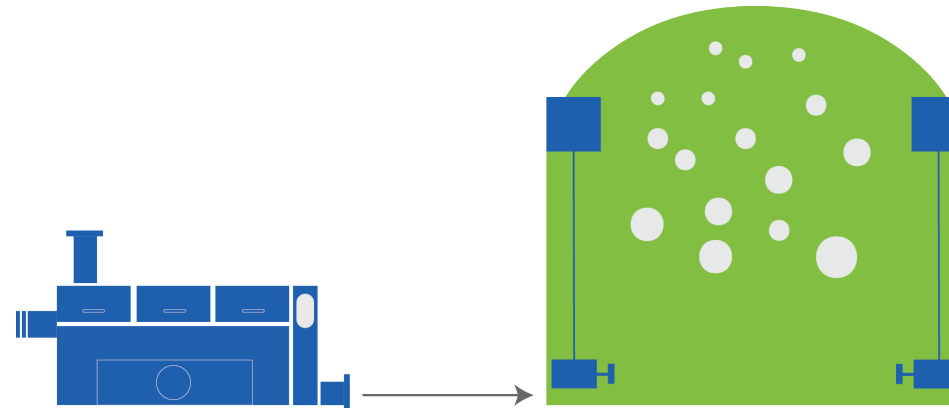


Anaergia can retrofit existing anaerobic digesters to triple capacity and enable digestion of high strength waste



Omnivore[®] is similar to conventional digestion with two changes:

1. The addition of thickening
2. An advanced mixing system

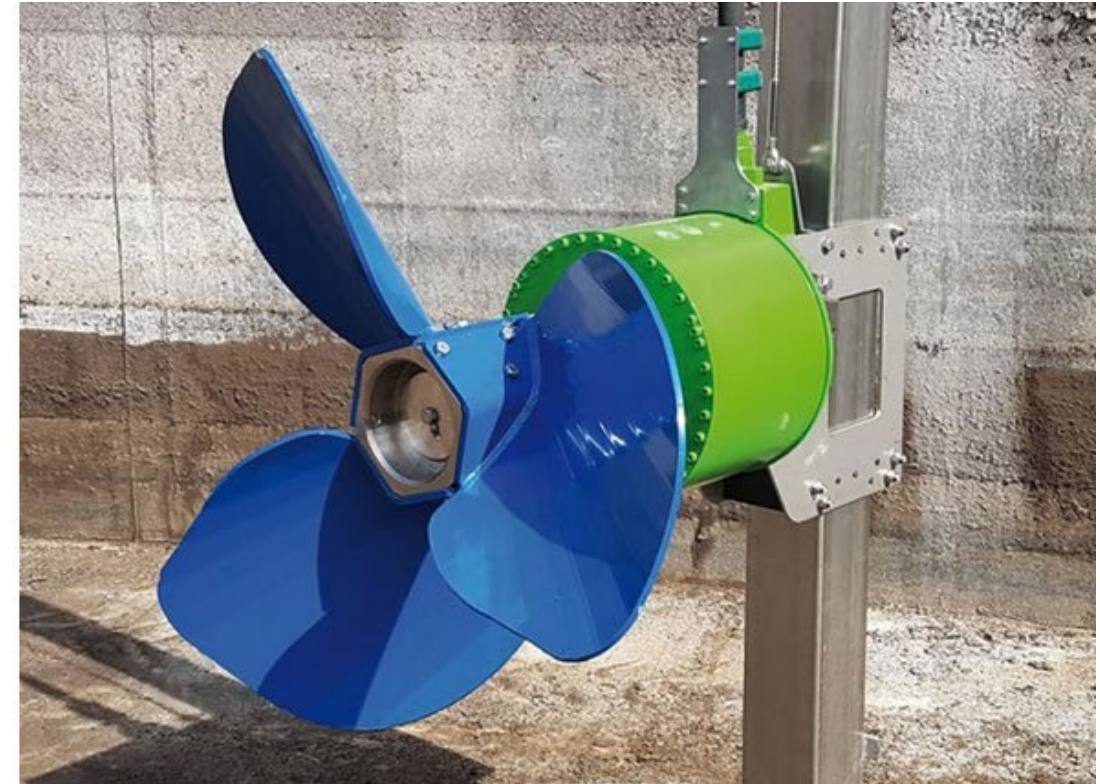


A specialized thickener feeds 12-14% solids to the digester

Submerged mixers handle high viscosity digestate



Anaergia high solids digestion enabled by innovative mixers and service box



Anaergia High Solids Mixers and Service Box

VWRA – Anaergia Public-Private-Partnership to convert organics into RNG



VVWRA – Anaergia Public-Private-Partnership to convert organics into RNG





Sun Valley CA, Commercial SSO & MSW OREX Line to recover organics from waste





OREX generates organic fraction that can be fed to Anaerobic Digesters



Organic fraction being delivered to Rialto
Bioenergy Facility



Rialto Bioenergy Facility converts organic waste to RNG



Rialto Bioenergy Facility



Thank you



Shayne Petkiewicz
Business Development Manager
shayne.petkiewicz@anaergia.com



Fueling a Sustainable World

Association of Bay Area Governments Publicly Owned Energy Resources

ABAG POWER

Board of Directors

May 25, 2023

Agenda Item 5.d.

Establishment of Renewable Natural Gas Program

Subject:

Adoption of Resolution No. 23-04, which 1) amends Sections 7.A.1 Programs and 7.A.3 Program Committees of the Bylaws to create a Renewable Natural Gas Program and to have the Executive Committee serve as the Program Committee to the Renewable Natural Gas Program; 2) authorizes the Executive Director (or designee) of the Metropolitan Transportation Commission a) to negotiate and execute agreements with current ABAG POWER members to allow them to participate in the Renewable Natural Gas Program, and suppliers to provide renewable natural gas as part of the Renewable Natural Gas Program and b) to take actions incidental or necessary to establish and implement the Renewable Natural Gas Program, and 3) finds that the actions taken are exempt from environmental review pursuant to California Environmental Quality Act Guideline 15308, Actions by Regulatory Agencies for Protection of the Environment.

Background:

Since 1998, ABAG POWER has administered a natural gas program that serves cities, counties, and special districts who voluntarily join the program. Staff aggregate the gas needs of member agencies, conduct bulk purchases, and arrange for transportation to local distribution infrastructure where the gas is delivered to member facilities. These facilities include police and fire stations, hospitals, zoos, community centers, and other government buildings that use natural gas primarily for space and water heating and/or cooking; the portfolio also includes a small number of residential accounts, and several large accounts that use natural gas as a vehicle fuel, or as fuel for electricity generation.

The program currently serves 37 cities, counties, and special districts within the Pacific Gas and Electric Company (PG&E) service territory. Member agencies span 12 counties and are mostly located within the San Francisco Bay Area. The goals and benefits of ABAG POWER are:

Goals	Membership Benefits
<ul style="list-style-type: none"> • Price stability • Cost savings 	<ul style="list-style-type: none"> • Experience and participation in monitoring regulatory and legislative proceedings. • Members own and operate the pool and have input into purchasing decisions, administrative costs, and program design. • Responsive, in-house customer service for account management and rate analysis.

Agenda Item 5.d. – Establishment of Renewable Natural Gas Program

May 25, 2023

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Historically, the program has purchased fossil-based gas (fossil gas) supply, which is widely available at many purchase locations and through various contract structures (fixed-price, index-based, etc.) and term lengths (daily, monthly, multi-year, etc.). However, within the past decade, many jurisdictions have adopted climate strategies and/or goals that increasingly rely upon reducing consumption of fossil gas. Simultaneously, biomethane or “renewable natural gas” (RNG) – an upgraded, pipeline quality biogas produced by the breakdown of raw materials such as agricultural waste, manure, municipal waste, sewage, food waste, etc. – has become more widely available, in part due to legislation and incentives encouraging the use of RNG. Unlike fossil gas, RNG offers various benefits, including:

- Greenhouse gas (GHG) emissions reductions benefits through releasing biogenic carbon dioxide when combusted, and capturing methane that might otherwise escape into the atmosphere.
- Avoiding the disruptive and polluting processes for extracting fossil gas.
- Producing nutrient-rich byproducts and associated revenue streams.

With increased compliance with local and state greenhouse gas mandates, the demand for natural gas, particularly fossil gas, will likely decline over the next 25 years. While there is a continued near-term need for fossil gas, there are several significant decarbonization planning efforts underway to manage the State’s transition away from natural gas-fueled technologies. Several of these efforts are anticipated to or already do directly impact members of ABAG POWER, including:

- California Public Utilities Commission (CPUC) proceeding R.20-01-007 addresses phasing-out gas utility assets and identifying regulatory accounting mechanisms that will mitigate stranded costs for utilities while maintaining affordable gas rates for customers.
- California Senate Bill (SB) 1440 (Hueso, 2018) authorized the CPUC to adopt specific biomethane procurement goals for gas utilities. Each gas utility is currently responsible for meeting 2025 and 2030 biomethane procurement targets.
- California SB 1383 (Lara, 2014) requires local governments to procure products from the recycling of organic waste in accordance with jurisdictional targets established by the California Department of Resources Recycling and Recovery (CalRecycle).

Strategic Implementation Roadmap

ABAG POWER is committed to supporting the goals of the customers and communities we serve.

As part of this commitment, in 2021, staff hosted a series of outreach events to discuss the State’s climate action goals and the impacts on gas use, and to develop products and programs to offer ABAG POWER members options to better support a transition to renewable energy resources and reduce greenhouse gas emissions.

Most members participated in this process, providing input at both the stakeholder events and during ABAG POWER’s Board of Directors meeting on October 21, 2021. Feedback received

Agenda Item 5.d. – Establishment of Renewable Natural Gas Program

May 25, 2023

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was incorporated into a [Stakeholder Engagement Report](#)¹ and [Strategic Implementation Roadmap](#)². Both the Report and Roadmap were, following public comment, approved on December 16, 2021, by the ABAG POWER Executive Committee.

The Strategic Implementation Roadmap (Roadmap) focuses on the development and implementation of near-term priorities that allow the program to be a partner to local governments seeking to achieve climate-related goals. Specifically:

1. The default product may transition from fossil-based natural gas to fossil-based natural gas bundled with certified carbon offsets.
2. The program should enable participation in State and Federal vehicle fuel programs that incentivize the use of compressed natural gas or RNG as a low-carbon transportation fuel. Credits from these programs can be used to effectively offset cost premiums for other programs.
3. Creating a product offering for SB 1383-compliant RNG supply.
4. Developing a program pathway and financial incentive to enable “transitional electrification”.

Collectively, these activities differentiate ABAG POWER’s offerings from those of PG&E and create additional value beyond the traditional goals of cost savings and price stability. Pursuing these initiatives recognizes that increasingly, attempting to achieve cost savings through securing the lowest-cost commodity often sacrifices other social and environmental considerations. As an alternative to the “race to the bottom” pricing approach, the Roadmap outlines opportunities that will assist members in achieving environmental and social goals. Staff believes these initiatives will prove valuable for the existing membership and prove compelling for attracting new members, thus decreasing rates for all participants.

Establishment of a voluntary RNG Program

While RNG provides significant opportunity to reduce short-lived climate pollutant (SLCP) emissions, there remains a significant price premium associated with producing RNG, particularly for products produced in California. The value of RNG is largely driven by programs that incentivize the use of low carbon transportation fuels, including the federal Renewable Fuel Standard (RFS) program and California’s Low Carbon Fuel Standard (LCFS). Demand for RNG for uses outside of vehicle fuel markets has been traditionally driven by voluntary sustainability goals of corporations, institutions, and government entities, but SB 1383 and SB 1440 are now resulting in an increased demand for RNG and contributing to an increasing number of in-state RNG production facilities.

Members have consistently expressed interest throughout the stakeholder engagement process and subsequent member surveys, requesting that ABAG POWER assist with procuring SB 1383-eligible resources. On October 4, 2022, staff issued a Request for Offers (RFO) seeking

¹ <https://abag.ca.gov/tools-resources/digital-library/abagpowerstakeholderengagementreportfinalr4pdf>

² <https://abag.ca.gov/tools-resources/digital-library/abag-power-strategic-implementation-roadmappdf>

Agenda Item 5.d. – Establishment of Renewable Natural Gas Program

May 25, 2023

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supplies of SB 1383-compliant biomethane/RNG. Staff received at least one proposal offering RNG and/or compliance credits that meet the requirements of SB 1383.³

In addition to procuring RNG for 1383 compliance, several ABAG POWER members in the gas aggregation program are using CNG fueling stations. These accounts are likely eligible but are not currently participating in the RFS and LCFS programs. Through a voluntary RNG program, these accounts could choose to begin procuring RNG and participating in these incentive programs, thereby generating a new revenue stream.

Taken in aggregate, the procurement process and recordkeeping requirements of SB 1383, as well as the RFS and LCFS programs, are outside of the scope of the natural gas aggregation agreement that governs members' participation. However, the joint powers agreement (JPA) creating ABAG POWER allows for this expanded scope.⁴ Staff recommends the establishment of a voluntary RNG program for the primary purposes of procuring RNG and/or compliance credits eligible under SB 1383, and for participating in the RFS and LCFS programs.

Similar to the natural gas aggregation program, a RNG program agreement will govern the relationship between ABAG POWER and members. Staff currently envision at least two roles for ABAG POWER to provide services as:

- a broker – wherein staff identify supply for one or more members, but ABAG POWER is not a party to the transaction (e.g., a purchase and sale contract is bilateral involving a third-party supplier and a member agency).
- a supplier – wherein ABAG POWER purchases RNG and/or compliance credits from a supplier, and re-sells the product(s) to a member agency:
 - (e.g., a purchase contract is either bilateral involving ABAG POWER and a member agency, or trilateral, involving ABAG POWER, a third-party supplier, and a member agency).

In the event ABAG POWER serves as a supplier for member agencies, and payment is to be made from ABAG POWER to a third-party supplier, a working capital deposit is likely to be necessary. In this situation, the proposed resolution delegates certain authority to Executive Director (or designee) of the Metropolitan Transportation Commission so the Executive Director can act quickly to respond to market demands to procure the renewable natural gas. The delegated authority is modeled after the authority delegated to purchase natural gas, which provides that the ABAG POWER Program Manager has the authority to enter into natural gas purchases in amounts that are not bounded and for durations up to three (3) years. The Executive Committee has established these parameters as part of the general natural gas purchasing strategy; however, because RNG supply markets may require contract durations

³ SB 1383 defines eligible renewable natural gas as gas derived from organic waste that has been diverted from a landfill and processed at an in-vessel digestion facility that is permitted or otherwise authorized by Title 14 to recover organic waste, as defined in 14 CCR Section 18982(a)(62).

⁴ Section 3 of the JPA defines the purpose of ABAG POWER as acquiring energy including, but not limited to, natural gas and electricity, [...], and such other services and goods as may be necessary to optimize costs savings and to manage the use or the supply of energy or telecommunications services.

Agenda Item 5.d. – Establishment of Renewable Natural Gas Program

May 25, 2023

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greater than three years, the Executive Committee retains authority to establish a separate duration threshold for the RNG program, as deemed appropriate.

Required Actions and Proposed Next Steps

The Bylaws provide that the Board has the power, upon majority vote, to establish programs within the purpose and power of ABAG POWER and to adopt general policy guidelines for their implementation. The Board can establish a voluntary RNG program through the adoption of an accompanying resolution and an amendment to the Bylaws listing the program. The proposed resolution has the Board taking the following actions:

- Amending the Bylaws to create the Renewable Natural Gas Program and to provide for the Executive Committee to be the committee that oversees the new program
- Authorizes the Executive Director or designee (“ED”) to negotiate and execute agreements with ABAG POWER members who want to voluntarily participate in the program*
- Authorizes the ED to negotiate and execute purchase and sale agreements with suppliers for renewable natural gas*
- Authorizes the ED to take other actions necessary or incidental to establishing and implementing the Renewable Natural Gas Program
- Finds that the establishment of the program is exempt from review under the California Environmental Quality Act (Cal. Public Resources Code § 21000, et seq.) pursuant to CEQA Guideline 15308 because the program is to assist its members with compliance with the mandate of SB 1383.

*The authority delegated to the ED will allow the ED to negotiate and execute agreements that exceed the current contract amount for delegated authority, which is \$200,000.

Issues:

None.

Recommended Action:

The Board of Directors for ABAG POWER is requested to adopt Resolution No. 23-04, which 1) amends Sections 7.A.1 Programs and 7.A.3 Program Committees of the Bylaws to create a Renewable Natural Gas Program and to have the Executive Committee serve as the Program Committee to the Renewable Natural Gas Program; 2) authorizes the Executive Director (or designee) of the Metropolitan Transportation Commission a) to negotiate and execute agreements with current ABAG POWER members to allow them to participate in the Renewable Natural Gas Program, and suppliers to provide renewable natural gas as part of the Renewable Natural Gas Program and b) to take actions incidental or necessary to establish and implement the Renewable Natural Gas Program, and 3) finds that the actions taken are exempt from environmental review pursuant to California Environmental Quality Act Guideline 15308, Actions by Regulatory Agencies for Protection of the Environment

Agenda Item 5.d. – Establishment of Renewable Natural Gas Program

May 25, 2023

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Attachments:

- Proposed Renewable Natural Gas Program (Presentation)
- ABAG POWER Resolution 23-04

Reviewed:

DocuSigned by:
Brad Paul
8C3380BA165B4D1...

Brad Paul

**ASSOCIATION OF BAY AREA GOVERNMENTS
PUBLICLY OWNED ENERGY RESOURCES**

BOARD OF DIRECTORS

RESOLUTION NO. 23-04

RESOLUTION ESTABLISHING A VOLUNTARY RENEWABLE NATURAL GAS PROGRAM

WHEREAS, in 1998, the Association of Bay Area Governments (ABAG) and local governments created ABAG POWER for the purpose of acquiring for use by its members, energy, including, but not limited to, natural gas and electricity, and of telecommunications services and such other services and goods as may be necessary or convenient to optimize costs savings and to manage the use or supply of energy or telecommunications services; and,

WHEREAS, the Bylaws of ABAG POWER provide that the Board has the power, upon majority vote, to establish Programs within the purpose and power of ABAG POWER and to adopt general policy guidelines for their implementation; and

WHEREAS, the Board has established a Natural Gas Aggregation Program that is currently in its twenty-fifth year of operation, and an Electric Aggregation Program, that operated for approximately three years, from 1998 to 2001; and

WHEREAS, California has adopted various policies and regulatory requirements to achieve the State's goals for reductions in greenhouse gas emissions, including programs and incentives to address the recycling of organic waste pursuant to Senate Bill 1383, which was adopted in 2016 ("SB 1383") and the promotion and use of low carbon fuels pursuant to the low carbon fuel standard ("LCFS") adopted by the California Air Resources Board ("CARB"); and

WHEREAS, one of the key elements in the reduction of greenhouse gas emissions is the generation and use of biomethane, which is commonly referred to as renewable natural gas ("RNG"); and

WHEREAS, pursuant to rules and regulations issued by the California Department of Resources Recycling and Recovery ("CalRecycle") to implement SB 1383, local governments are required to procure products from the recycling of organic waste in accordance with jurisdictional targets established by CalRecycle ("SB 1383 Procurement Requirements") and one of the ways to satisfy procurement targets is to purchase RNG that has been generated as a result of such recycling efforts (as permitted pursuant to 14 CCR Section 18993.1 (f)); and

WHEREAS, in 2021, ABAG POWER staff conducted a number of stakeholder engagement events, memorialized in a Stakeholder Engagement Report, in which members of ABAG POWER expressed a desire for the organization to assist with SB 1383 procurement; and

WHEREAS, ABAG POWER currently aggregates the natural gas needs of 37 public agencies voluntarily participating in the Natural Gas Aggregation Program, and is well positioned to identify SB 1383-compliant RNG for ABAG POWER members and provide or cause to be provided required recordkeeping and related services; and

WHEREAS, the Board of Directors of ABAG POWER desire to establish a voluntary Renewable Natural Gas Program; and

WHEREAS, pursuant to a Contract for Services dated May 30, 2017, between the Metropolitan Transportation Commission (MTC) and the Association for Bay Area Governments (ABAG) ("Contract for Services"), MTC provides staffing services to ABAG, and its Local Collaboration Programs (LCP's), which includes ABAG POWER, and in providing such staffing services, applies MTC rules; and

WHEREAS, pursuant to a Memorandum of Understanding between ABAG and ABAG POWER, executed in 2018, ABAG POWER occasionally may need to develop policies and procedures that differ from MTC's rules to meet programmatic needs; and

WHEREAS, to establish a Renewable Natural Gas Program that is responsive to market demands, the Executive Director of MTC or designee ("ED"), in acting pursuant to the Contract for Services, may be required to negotiate and execute contracts in manner that exceeds the authority of the ED as delegated in MTC Resolution No. 3619, and ABAG Resolution No. 8-2023 ("MTC/ABAG Delegated Authority Limits").

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of ABAG POWER hereby amends Section 7A.1 Programs, Article 7A – Programs and Program Committee of the Bylaws to add Section 7A.1.3 as shown in *italics* below:

Renewable Natural Gas Program. ABAG POWER hereby approves a Renewable Natural Gas Program to achieve reductions in greenhouse gas emissions, realize cost savings enabled by aggregated purchasing, address the recycling of organic waste, and assist participants with the promotion and use of low carbon fuels.

; and

BE IT FURTHER RESOLVED, that Section 7.A.3 Program Committees, Article 7A – Programs and Program Committee of the Bylaws is here by amended as shown below, with additions in *italics*:

There will be a program committee for each program. A program committee will be comprised of directors equal to ten percent (10%) of the participants. Until more than one program is active, the Executive Committee will serve as the DATA Program Committee. Notwithstanding the foregoing, the Executive Committee will serve as the Program Committee to the Renewable Natural Gas Program.

BE IT FURTHER RESOLVED, the ED, acting pursuant to the Contract for Services, is authorized to negotiate and execute agreements with current members of ABAG POWER to allow ABAG POWER members to participate in the Renewable Natural Gas Program, and the contract amount for such agreements is not subject to MTC/ABAG Delegated Authority Limits, provided payment by the ABAG POWER member is to be used as a deposit for ABAG POWER to draw against for the purchase of the renewable natural gas on behalf of the ABAG POWER member or/and as reimbursement for such purchases; and

BE IT FURTHER RESOLVED, the ED, acting pursuant to the Contract for Services, is authorized to negotiate and execute purchase and sale agreements with suppliers to provide renewable natural gas for the Renewable Natural Gas Program in which ABAG POWER serves as a broker to arrange for the purchase of the renewable natural gas by the ABAG POWER member and/or in which ABAG POWER purchases the renewable natural gas on behalf of the ABAG POWER member and invoices the ABAG POWER member for the cost of the purchase of the renewable natural gas; and in the event that ABAG POWER purchases the renewable natural gas for ABAG POWER Members, such agreements are not subject to the MTC/ABAG Delegated Authority Limits or other contracting procedures established by MTC, but may be subject to contracting procedures established by the ABAG POWER Executive Committee; and

BE IT FURTHER RESOLVED, the ED, acting pursuant to the Contract for Services, is authorized to take other actions necessary or incidental to establishing and implementing the Renewable Natural Gas Program, consistent with this Resolution; and

BE IT FURTHER RESOLVED, the actions taken pursuant to this Resolution are exempt from review under the California Environmental Quality Act (Cal. Public Resources Code, § 21000, et seq.) (“CEQA Guideline”) pursuant to CEQA Guideline 15308, Actions by Regulatory Agencies for Protection of the Environment, because the Renewable Natural Gas Program is to assist its members with compliance with the mandate imposed by SB 1383.

This foregoing was adopted by the Board of Directors at its meeting on this 25th day of May, 2023.

By: _____
Doug Williams, Vice Chair

Certification of Executive Committee Approval

I, the undersigned, the appointed and qualified Secretary of the ABAG Publicly OWned Energy Resources (ABAG POWER), do hereby certify that the foregoing resolution was adopted by the Executive Committee of ABAG POWER at a duly called meeting held on the 25th day of May, 2023.

Jennifer Berg, Secretary
ABAG POWER

Ryan Jacoby

From: Dale Roberts <Dale.Roberts@scwa.ca.gov>
Sent: Tuesday, May 23, 2023 6:26 PM
To: Ryan Jacoby; MTC-ABAG Info
Cc: Brad Sherwood; Carolyn Greco
Subject: Re: Meeting Materials - ABAG POWER Board of Directors Special Meeting - May 25 @ 11am

External Email

Hi Ryan,

Regarding ABAG POWER Board meeting agenda item 5. Establishment of Renewable Natural Gas Program: Many public entities including Sonoma Water want the ability to buy renewable natural gas (such as methane derived from animal manure, food waste, or wastewater treatment plants) in aggregate much like Community Choice Aggregation (CCA) entities allow for renewable purchase of electricity. CCA's allow electricity customers to buy renewable power. Buying renewable natural gas would give us a cost competitive option to meet our building and water heating needs, since it's often too expensive to retrofit existing buildings for electric heating. Allowing entities to purchase renewable natural gas products would also allow building owners to move away from fossil fuels for heating immediately, instead of prematurely switching to electric heating sources prior to their gas fueled heating equipment reaching the ends of their useful lives. Purchasing renewable natural gas would also help our digester gas producing wastewater treatment plant colleagues diversify their markets into which they could sell their renewable products. It would also allow some wastewater treatment plants to contribute to helping communities address mandates to divert organic wastes away from landfills by diverting those organic waste byproducts to wastewater treatment plants.

Thank you,
Dale Roberts, PE
Principal Engineer
Sonoma Water
707-547-1979

From: Ryan Jacoby <rjacoby@bayareametro.gov>
Date: Thursday, May 18, 2023 at 3:58 PM
To: "esmith@alamedaca.gov" <esmith@alamedaca.gov>, "mhurley@albanyca.org" <mhurley@albanyca.org>, "KOchendusko@ci.benicia.ca.us" <KOchendusko@ci.benicia.ca.us>, "AndreD@cupertino.org" <AndreD@cupertino.org>, "Dschoenholz@fremont.gov" <Dschoenholz@fremont.gov>, "tbarber@ci.gonzales.ca.us" <tbarber@ci.gonzales.ca.us>, "MChidester@hmbcity.com" <MChidester@hmbcity.com>, "mikeroberts@ci.hercules.ca.us" <mikeroberts@ci.hercules.ca.us>, "GEngeland@losaltosca.gov" <GEngeland@losaltosca.gov>, "tatashkarian@cityofmillvalley.org" <tatashkarian@cityofmillvalley.org>, "sbautista@ci.millbrae.ca.us" <sbautista@ci.millbrae.ca.us>, "emarshall@milpitas.gov" <emarshall@milpitas.gov>, "steve@cityofmontesereno.org" <steve@cityofmontesereno.org>, "DHamilton2@oaklandnet.com" <DHamilton2@oaklandnet.com>, "dbiggs@cityoforinda.org" <dbiggs@cityoforinda.org>, "ycarter@pacifica.gov" <ycarter@pacifica.gov>, "PCARTER@cityofpetaluma.org" <PCARTER@cityofpetaluma.org>, "BHopkins@cityofpleasantonca.gov" <BHopkins@cityofpleasantonca.gov>, "Samantha_carr@ci.richmond.ca.us" <Samantha_carr@ci.richmond.ca.us>, "adams@ci.salinas.ca.us" <adams@ci.salinas.ca.us>, "SMachida@cityofsancarlos.org" <SMachida@cityofsancarlos.org>, "april.miller@cityofsanrafael.org" <april.miller@cityofsanrafael.org>, "DWilliams@srcity.org" <DWilliams@srcity.org>, "tscott@saratoga.ca.us" <tscott@saratoga.ca.us>

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Cc: Brad Paul <bpaul@bayareametro.gov>, Jennifer Berg <jberg@bayareametro.gov>, Cindy Chen <cchen@bayareametro.gov>, Matthew Lavrinets <MLavrinets@bayareametro.gov>, Andrea Visveshwara <avisveshwara@bayareametro.gov>, Grace Martinez <gmartinez@bayareametro.gov>, Kelly Schoonmaker <KSchoonmaker@stopwaste.org>, "Cara.Morgan@CalRecycle.ca.gov" <cara.morgan@calrecycle.ca.gov>, "Strickley, Kathleen@CalRecycle" <Kathleen.Strickley@CalRecycle.ca.gov>, Shayne Petkiewicz <Shayne.Petkiewicz@anaergia.com>, Kathryn Pisano <kathryn.pisano@morganhill.ca.gov>, Dale Roberts <Dale.Roberts@scwa.ca.gov>

Subject: Meeting Materials - ABAG POWER Board of Directors Special Meeting - May 25 @ 11am

Good afternoon, ABAG POWER Board of Directors,

Please find attached the meeting materials for next Thursday's (5/25) special meeting of the Board. The materials are also available at <https://abag.ca.gov/meetings>.

For those attending remotely, you should have received an email inviting you to attend as a Zoom panelist. Please reach out if not.

Feel free to contact me with any questions.

Ryan Jacoby (he/him)
Principal Program Manager
rjacoby@bayareametro.gov

Bay Area Metro | BayAreaMetro.gov
Association of Bay Area Governments
Metropolitan Transportation Commission

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