Agenda Item 3A

Page **1** of **4**



SUMMARY MINUTES

ABAG POWER Annual Board of Directors' Meeting 2014

October 30, 2014 Joseph P. Bort MetroCenter 101 Eighth Street, Oakland, CA 94607-4756

WELCOME

Chairman Richard Sealana opened the meeting of the ABAG POWER Board of Directors' with introductions at 10:35 a.m.

The agencies having a representative at this meeting were as follows:

Jurisdictions Represented	Representatives
City of Alameda	Juelle-Ann Boyer
City of Benicia	Greg Henry
City of Cupertino	Erin Cooke
City of Fremont	Mike Sung
City of Gonzales	Carlos Lopez
City of Los Altos	Dave Brees
City of Milpitas	Chris Schroeder
City of Oakland	Scott Wentworth
City of Orinda	Tonya Gilmore
City of Pacifica	Jim Reese
City of Pleasanton	Ed Heuer
City of Richmond	Angela Walton
City of Salinas	Michael Ricker
City of San Rafael	Richard Landis
City of Union City	Richard Sealana
County of Napa	Steve Lederer
County of San Mateo	Doeg Koenig
County of Santa Clara	Brad Vance
Golden Gate Bridge & Highway District	Jennifer Mennucci
H.A.R.D.	Karl Zabel
Housing Authority for the City of Alameda	Alan Olds
RAFC	Robert Hoffman
Town of Moraga	Stephanie Hom

Others Present

KyotoUSA	Tom Kelly
Carbonomics	Seth Baruch
County of San Mateo	Andy Jain
City of Union City	Mintze Cheng

ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area

Agenda Item 3A

Page 2 of 4



Staff Present

Herbert Pike **ABAG**

Jerry Lahr **ABAG POWER** Ryan Jacoby **ABAG POWER**

Chanell Gumbs **ABAG** Jennifer Berg **ABAG Brad Paul ABAG**

WELCOME & CHAIRMAN'S OPENING REMARKS

Chairman Richard Sealana welcomed the board members and provided a brief history and a general overview of the ABAG POWER Program. He introduced and extended a special acknowledgment to the 2013-2014 Executive Committee and the ABAG POWER principal staff.

PUBLIC COMMENTS

There were no public comments.

APPROVAL OF SUMMARY MINUTES OF OCTOBER 24, 2013 ANNUAL BOARD **MEETING**

Motion was made by Schroeder/S/Lederer/22:0:0/C/ to approve the Summary Minutes of October 24, 2013 ABAG POWER Annual Board of Directors' meeting.

The aye votes were: Brees, Boyer, Cooke, Gilmore, Henry, Heuer, Hoffman, Hom, Landis, Lederer, Lopez, Koenig, Mennucci, Olds, Reese, Ricker, Schroeder, Sealana, Sung, Vance, Walton, Wentworth.

The nay votes were: None.

Abstentions were: None.

ELECTION OF ABAG POWER OFFICERS FOR PROGRAM YEAR 2014-15

Motion was made by Boyer/S/Koenig/22:0:0/C/to approve the proposed ABAG POWER Executive Committee for program year 2014-2015, including the election of chair and vice chair as follows:

Julie Bueren, County of Contra Costa Stephanie Hom, Town of Moraga Alan Olds, Housing Authority of the City of Alameda Chris Schroeder, City of Milpitas (Chair) Richard Sealana, City of Union City (Vice Chair) Daniel Smith, City of Pleasanton Angela Walton, City of Richmond Tonya Gilmore, City of Orinda

ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area

Agenda Item 3A Page 3 of 4



The aye votes were: Brees, Boyer, Cooke, Gilmore, Henry, Heuer, Hoffman, Hom, Landis, Lederer, Lopez, Koenig, Mennucci, Olds, Reese, Ricker, Schroeder, Sealana, Sung, Vance, Walton, Wentworth.

The nay votes were: None.

Abstentions were: None.

STAFF REPORT AND REVIEW OF NATURAL GAS PROGRAM

Lahr provided an in-depth report on the operations of the Natural Gas Program for FY2013-14. He provided a review of the program and discussed the program goals, long-term program achievements and gas purchasing strategies.

ABAG POWER's blend of long-term and short-term gas purchases resulted in a weighted average cost of gas for the year of \$4.05/Dth, representing an increase of approximately 10% over the prior year. ABAG POWER's annual weighted average price was approximately 0.5% lower than PG&E's similar total rate (G-NR1). Due to the Program's levelized billing structure and long-term purchasing strategy, ABAG POWER's monthly rates were more stable than PG&E's rates throughout the year.

NATURAL GAS PIPELINE CAPACITY ISSUE

Chairman Sealana and Lahr provided members with the background and details of the Gas Pipeline Capacity issue facing the program. They explained the previous California Public Utilities Commission (Commission) rulings, the 2002 Gas Accord decisions, and the approval by the Commission of the phase-in of full cost sharing beginning in 2015. The members were reminded of ABAG POWER's continued involvement in the regulatory process in an attempt to mitigate the stranded costs.

Lahr mentioned that while the goals of ABAG POWER are not solely related to cost savings, the stranded pipeline capacity costs could provide a significant barrier to this objective. The costs to the program in 2013-14 were approximately \$192,000, and are estimated to reach \$310,000/year by 2015 if current regulations remain unchanged.

It was hoped that the current proceeding before the CPUC will result in modifications to the regulations so the program can begin to reduce the expenses associated with the stranded pipeline capacity costs.

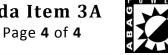
FINANCIAL REVIEW

Herbert Pike presented the preliminary financial reports for fiscal year ending June 30, 2014. Auditors were in the process of auditing the financial statements, which will be available by December, 2014.

ASSOCIATION OF BAY AREA GOVERNMENTS

Agenda Item 3A

Representing City and County Governments of the San Francisco Bay Area



COMMUNITY CHOICE AGGREGATION (CCA)

Guest speakers Tom Kelly and Seth Baruch informed members of the current status of Marin Clean Energy, Sonoma Clean Power, and other regional CCA efforts.

SAN FRANCISCO BAY AREA REGIONAL ENERGY NETWORK (BAYREN)

Jennifer Berg, ABAG's Program Manager of BayREN, gave an overview of the BayREN Program.

ADJOURNMENT

Chairman Sealana adjourned the meeting at 12:55 p.m.

/rj

*Example of a motion - [Member No. 1/S/Member No. 2/O/Member No. 3/roll call vote/C/8:0:0] means Member No.1 motions, seconded by Member No.2, Opposed by Member No. 3, after roll call vote, motion carries, 8 = "yes" votes, 0 = "no" votes and 0 = abstentions.