



# SUMMARY MINUTES

ABAG Power Executive Committee

Meeting 2000-01

January 21, 2000

Metro Center 101 8<sup>th</sup> Street, Oakland CA 94607

## WELCOME AND INTRODUCTIONS

Michael Garvey opened the meeting with introductions at 12:10 p.m.:

### Committee Representatives Present

Ken Blackman  
Kathy Brown  
Michael Garvey  
Ross Hubbard  
John Lisenko

### Jurisdictions

City of Santa Rosa  
County of Contra Costa  
City of San Carlos  
Town of Moraga  
City of Foster City

### Committee Representatives Absent

Wayne Green  
Alan Nadritch  
Mark Lewis  
Robert Fugle

### Jurisdictions

City of Salinas  
City of Benicia  
City of Union City  
Golden Gate Bridge District

### Staff Present

Dave Finigan  
Joseph Chan  
Kathy Mendoza

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### Guest Speaker

Tom Green

Northern California Power Agency

## PUBLIC COMMENT

There was no public comment.

## APPROVAL OF MINUTES

Motion was made by Blackman/S/Hubbard/C/ to approve the December 15, 1999 minutes.

**STATUS REPORT ON THE ELECTRIC PROGRAM**

Dave Finigan reviewed the energy purchase for January. ABAG POWER staff made arrangements with PG&E Energy Services for the purchase of electric energy for the month of January at the PX price. We received our first renewable energy rebate check for the Energy Commission on January 10, 2000 for \$940,674.92 for the months of May through September. Calpine's 30% share of this rebate, representing \$282,202.47, was forwarded to them leaving \$658,472.44 to be distributed to electric program members. A request for \$129,449.08 in renewable energy rebate was requested in January for October 1999 renewable energy used. This rebate check should be remitted to ABAG POWER by February 17, 2000. ABAG POWER's 70% share of this rebate check will bring the total amount to \$749,089.80 for this six-month period. It is planned to distribute this rebate back to the electric program members in late February based upon their proportionate electric load in the program. A second disbursement of the rebate is planned for August 2000.

**STATUS REPORT ON THE NATURAL GAS PROGRAM**

Dave Finigan reviewed the January natural gas purchase. Due to high prices in the natural gas market that were above \$3.00Dth in November, ABAG POWER's gas manager TXU recommended in November that we lock in 50% of our gas supply load at a fixed price for the months of December and January. Our contract price for natural gas with TXU is currently the Natural Gas Index (NGI) minus \$0.145 Dth at Citygate. In response to this, we locked 50% of the natural gas load at \$2.62Dth for these two months. Unfortunately, the natural gas NGI index went significantly down reaching \$2.52Dth in December and \$2.47Dth in January. PG&E's cost, however, was \$2.95 in December and \$3.00 in January resulting in ABAG POWER's energy cost being much lower.

**AUTHORIZATION TO FINALIZE A ONE-YEAR ENABLING AGREEMENT WITH NCPA TO PARTICIPATE IN NCPA'S POWER MANAGEMENT PROGRAM**

Dave Finigan and Tom Green of Northern California Power Agency presented a plan for ABAG POWER to participate in NCPA's Power Management Program that would enable ABAG POWER to become a member of their electric pool. The objective of participating in NCPA's program would be to improve ABAG POWER's opportunities to reduce and stabilize electric power costs. The additional cost for ABAG POWER to participate in this program is \$186,300 and would provide for NCPA to purchase ABAG POWER's electric energy in lieu of staff doing this independently. Motion was made by Blackman/S/Brown/C/ to negotiate a final agreement with NCPA to participate in this program for a one-year period for final review and approval by the Executive Committee.

**APPROVAL OF NORTHERN CALIFORNIA POWER AGENCY WESTERN 2005 RESOURCE POOL PROJECT AGREEMENT**

Dave Finigan reviewed the Northern California Power Agency Western 2005 Resource Pool Project Agreement and the potential savings this could bring to ABAG POWER. The Western Area Power Administration (WAPA) of the U.S. Department of Energy is making electric power available to eligible customers from its year 2005 resource pool. The proposal is a cost sharing agreement for a number of agencies to use NCPA staff services to complete and promote the WAPA application. Motion was made by Hubbard/S/Blackman/C/ to approve this agreement.



**APPROVAL OF AUDITED FINANCIAL REPORTS JUNE 30, 1999**

Joe Chan, ABAG's Chief Financial Officer, reviewed ABAG POWER's Audited Financial Report for the fiscal year ending June 30, 1999. Motion was made by Blackman/S/Lisenko/C/ to accept the Audited Financial Report for fiscal year ending June 30, 1999.

**APPROVAL OF FINANCIAL REPORT CURRENT FISCAL YEAR – OCTOBER, 1999**

Joe Chan reviewed ABAG POWER's current Financial Report as of October 31, 1999. Motion was made by Hubbard/S/Brown/C/ to accept the Financial Reports for October 1999.

**PROGRAM ADVISOR'S REPORT**

Dave Finigan reported that ABAG POWER submitted its response to the Oakland RFP. Calpine is interested in helping ABAG POWER persuade the City of San Jose to become a member of the electric pool. The City of San Jose is expected to be putting out an RFP this spring.

**NEW MEMBERSHIP ACTIVITIES**

Dave Finigan reviewed new membership activities for both the electric and natural gas pools, and discussed marketing strategies for bringing in new members.

**ADJOURN**

1:48 p.m.