

# MEMORANDUM

## ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area

Attachment 3A



# SUMMARY MINUTES

ABAG Power Executive Committee

Regular Meeting 2012-02

April 18, 2012

Metro Center, ABAG's Conference Room B  
101 8<sup>th</sup> Street, Oakland, CA 94607

### WELCOME AND INTRODUCTIONS

Chairman Chris Schroeder opened the meeting with introductions at 12:00 Noon.

#### Committee Representatives

Mark Armstrong  
Ron Popp  
Angela Rush  
Chris Schroeder (Chair)  
Richard Sealana (Vice-Chair)

#### Jurisdictions

City of Santa Rosa  
City of Millbrae  
City of Richmond  
City of Milpitas  
City of Union City

#### Committee Representatives Absent

Laura Ryan

City of Pleasanton

#### Staff Present

Jerry Lahr  
Vina Maharaj  
Ken Moy  
John Saelee

ABAG POWER  
ABAG POWER  
ABAG  
ABAG

### PUBLIC COMMENTS & ANNOUNCEMENTS

There were no public comments.

### APPROVAL OF SUMMARY MINUTES OF DECEMBER 14, 2011

Motion was made by Sealana/S/Rush/C/5:0:0 to approve the Summary Minutes of February 15, 2012 Executive Committee Meeting.

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### **REPORT ON NATURAL GAS PROGRAM**

#### **Monthly Summary of Operations FY 11-12**

Lahr provided the members with the Monthly Summary of Operations report for FY 2011-12. He updated the members on the percentage savings comparison with PG&E. The cumulative savings for February, 2012 is 3.9% in comparison with PG&E.

PG&E's procurement charge has dropped significantly from \$5.05 in February to \$3.74 in March. They added a hedging adjustment of a dollar in February which drops to almost zero in March.

#### **Gas Hedge Chart**

Lahr provided information on the various current long-term gas purchases (contracts which are greater than one month in length).

#### **Market Price Chart 2000-Present**

Lahr provided the members with a longer term look at the trend of gas prices, going back a decade. There were fairly big spike in prices throughout the decade, however, prices mainly remained at around \$6.00/Dth.

#### **Market Price Chart (3-year)**

Lahr provided a 3-year comparison of gas prices. He mentioned that the gas prices are significantly lower than what was budgeted for this current fiscal year, FY 2011-12.

#### **Gas Scheduling Contract with Golden Valley Gas Services**

The previously extended Gas Scheduling Services Agreement between Golden Valley Gas Services, Inc. (GVGS) and ABAG POWER expires on June 30, 2012. A recommendation was made by staff to extend the contract for an additional year.

Motion was made by Armstrong/S/Pope/C/5:0:0 to approve the contract extension with Golden Valley Gas Services for the period July 1, 2012 to June 30, 2013 for gas scheduling services.

### **PRELIMINARY FY2012-13 BUDGET**

Lahr provided a preliminary operating budget for Fiscal Year 2012-13 to the Executive Committee. The budget line items were reviewed and discussed with intent for approval at the June 20, 2012 meeting.

### **ABAG ENERGY PROGRAMS UPDATE**

The status, program goals, description and other particulars about each of ABAG's Energy Programs were provided to members as Agenda Item 8A.

Lahr mentioned that the Retrofit Bay Area program contract will officially terminate April 30, 2012.

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### **CLOSED SESSION**

Conference With Legal Counsel—Anticipated Litigation, Govt. C. Sec. 54956.9(c)

Initiation of litigation pursuant to subdivision (c) of Section 54956.9: One Case

There were no reportable action items from the closed session

### **ADJOURNMENT**

Chairman Schroeder adjourned the meeting at 1:20 p.m.

/vm

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\*Example of a motion – [*Member No. 1/S/Member No. 2/roll call vote/C/8:0:0*] means Member No.1 motions, seconded by Member No.2, after roll call vote, motion carries, 8 = “yes” votes, 0 = “no” votes and 0 = abstention.