

MEMORANDUM

ASSOCIATION OF BAY AREA GOVERNMENTS **Agenda Item #3**

Representing City and County Governments of the San Francisco Bay Area

Attachment A



SUMMARY MINUTES

**ABAG Power Executive Committee
Teleconference Meeting 2006-02**

April 19, 2006

Metro Center, 101 8th Street, Oakland, CA 94607

WELCOME AND INTRODUCTIONS

Chairman Steve Sprotte opened the meeting with introductions at 12:05 p.m. All Executive Committee members participated via teleconference with staff who gathered in Conference Room A for the meeting.

Committee Representatives via Teleconference

Mark Akaba
Ed Buonaccorsi, Vice-Chairman
Terry Mann
Jennifer Mennucci
Ron Popp
Steve Sprotte, Chairman

Jurisdictions

City of Vallejo
City of Santa Rosa
County of Contra Costa
Golden Gate Bridge District
City of Millbrae
City of Union City

Staff Present

Joseph Chan
Jerry Lahr
Vina Maharaj
Kenneth Moy

ABAG
ABAG POWER
ABAG POWER
ABAG

PUBLIC COMMENTS/ANNOUNCEMENTS

There were no public comments.

APPROVAL OF SUMMARY MINUTES OF FEBRUARY 15, 2006 MEETING

Motion was made by Buonaccorsi/S/Mann/C/4:0:0 to approve the Summary Minutes of February 15, 2006 Executive Committee Meeting.

REPORT ON NATURAL GAS PROGRAM

Monthly Summary of Operations

Jerry Lahr provided members with the monthly Summary of Operations report for FY 2005-06. Lahr mentioned that natural gas prices had come down in the past few months which is reflective of a mild winter the country had overall. He said that ABAG POWER's gas rates were better than PG&E's in January, 2006 by a significant margin, bringing the total cumulative savings percentage to 15%.

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Lahr informed the members about the processes of how and when gas is scheduled into storage.

Revised Natural Gas Aggregation Agreements

Lahr reported that to date 100% of ABAG POWER members had executed the Revised Natural Gas Aggregation Agreement.

Implementation of Internal Billing

Lahr said that the process of bringing Natural Gas billing in house to ABAG POWER is being put into operation with the goal to complete the transfer from IQ Solutions by July 1, 2006. The actual transfer date will be finalized in discussions with IQ Solutions as we get closer to July.

Natural Gas Storage Agreement

Lahr provided the members with Attachment D to the Core Gas Aggregation Service Agreement with PG&E for the April 1, 2006 – March 31, 2007 period and requested that the Executive Committee ratify the agreement.

Lahr said that ABAG POWER, as a core aggregator is required to store gas for core members use during the winter months. For the past several years, ABAG POWER used the services of Wild Goose Storage who is currently in the process of selling their facility. Lahr said that he recommends using PG&E's storage facilities for the April 1, 2006 to March 31, 2007 period.

Motion was made by Popp/S/Akaba/C/6:0:0 to ratify Attachment D to the Core Gas Aggregation Service Agreement with PG&E.

Amendment to Conflict of Interest Code

Ken Moy provided the members with a memo, notice of intention to amend conflict of interest code (COIC) and proposed conflict of interest code.

Moy said that the COIC which ABAG POWER adopted on January 17, 2001, as advised by the Fair Political Practices Committee (FPPC), removed members of the Board of Directors from the list of individuals to file a Form 700. This advice turned out to be incorrect. The FPPC now requires that Board members be included.

Moy requested the Executive Committee to:

1. Authorize publication of a Notice of Intention to Amend Conflict of Interest Code; and
2. Open a forty-five (45) day public comment period on the proposed amendments beginning on April 20, 2006 and ending on June 5, 2006.

Motion was made by Buonaccorsi/S/Mann/C/6:0:0 to accept Legal Counsel's request to authorize publication and open a 45 day public comment period beginning April 20, 2006 and ending June 5, 2006.

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Electric Program Liabilities Update

Lahr provided the members with an update on the status of the contingent liabilities that were identified and transferred to members by the Electric Program Windup Agreement. He stated his intent to write a memo, addressed from the Program Manager and Legal Counsel to the ABAG POWER Electric Program Windup Agreement signatories providing a status update and recommendations regarding these liabilities.

CLOSED SESSION

Conference with Legal Counsel – Existing Litigation [Govt. C. Sec. 54956.9(a)]
Natural Gas Market Manipulation Litigation.

Chairman Sprotte reported out of closed session that an update was provided by staff to the Executive Committee. No action was taken in closed session.

ADJOURNMENT

Chairman Sprotte adjourned the meeting at 1:55 p.m.

/vm

*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 = abstentions