



SUMMARY MINUTES

ABAG POWER Executive Committee

Regular Meeting 2016-03

June 15, 2016

Conference Room 8355 - Alcatraz

375 Beale Street, San Francisco, CA 94105

WELCOME AND INTRODUCTIONS

Chair Julie Bueren opened the meeting with introductions at 12:35 PM.

<u>Committee Representatives</u>	<u>Jurisdiction/Agency</u>
Chris Schroeder (Vice Chair)	City of Milpitas
Dave Brees	City of Los Altos
Julie Bueren (Chair)	County of Contra Costa
Tonya Gilmore	City of Orinda
<u>Members Absent</u>	
Angela Walton	City of Richmond
Richard Sealana	City of Union City
<u>Staff Present</u>	
Jerry Lahr	ABAG POWER
Ryan Jacoby	ABAG POWER
Courtney Ruby	ABAG
Ken Moy	ABAG

PUBLIC COMMENTS & ANNOUNCEMENTS

There were no public comments.



ABAG/MTC MERGER PROPOSAL UPDATE

Moy informed members of the recent decisions from ABAG and MTC to pursue consolidation of staff functions under one executive director. Following the consolidation of staff, ABAG and MTC will attempt governance reconfiguration so that the relationship between regional governance and city and county participation is clear and decisive.

APPROVAL OF SUMMARY MINUTES OF APRIL 20, 2016.

Motion was made by Schroeder/S/Brees/C/4:0:0 to approve the Summary Minutes of the April 20, 2016 Executive Committee meeting.

The aye votes were: Brees, Bueren, Gilmore, Schroeder.

The nay votes were: None.

Abstentions were: None.

Absentees were: Sealana, Walton.

REPORT ON NATURAL GAS PROGRAM

Monthly Summary of Operations FY 2015-16

Lahr provided members with the Monthly Summary of Operations reports for FY15-16; members were updated on the percentage savings comparisons with PG&E. Lahr noted that financial statements for April, 2016 indicated a cumulative savings figure of -3.3% including the CTA Unrecovered Pipelines Capacity costs. The program's 'Rate Comparisons excluding Pipeline Capacity Costs' calculation displayed a cumulative savings through April, 2016 of -0.8%.

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

Lahr provided information on gas prices.

FY 2016-17 ABAG POWER OPERATING BUDGET

Upon reviewing the gas program's goals and purchasing strategy, Lahr presented the Committee with an Operating Budget for Fiscal Year 2016-17 indicating a total core rate increase of 17.1%. He noted the primary driver of the increase as significant anticipated increases in PG&E pass-through costs, as proposed in PG&E's Gas Transmission and Storage rate case.



Total Working Capital Deposits remain at \$2,000,785, which represents approximately 3 months of working capital. This is greater than the stated goal of at least 2 months of working capital, so no additional deposits are anticipated during FY 16-17.

The program's core and non-core FY 2016-17 Levelized Charges represented an increase of 8.5% when compared to FY 2015-16.

Motion was made by Brees/S/Schroeder/C/4:0:0 to deem Working Capital Deposits sufficient and approve as proposed the 2016-17 Operating Budget, including the monthly levelized charges.

The aye votes were: Brees, Bueren, Gilmore, Schroeder.

The nay votes were: None.

Abstentions were: None.

Absentees were: Sealana, Walton.

BILLING PROCESS DISCUSSION

Staff reviewed existing billing processes and utility database limitations, followed by brief discussion regarding a recent proposal to update to a web-based reporting system accessible by members.

The group determined the full membership would be consulted to evaluate whether additional monitoring and reporting capabilities warrant increased program costs.

CLOSED SESSION

Conference with Legal Counsel—Existing Litigation, Govt. C. §54956.9(d):

1. Application of Pacific Gas & Electric Company Proposing Cost of Service and Rates for Gas Transmission and Storage Services for the Period 2015-2017 (A. 13-12-012)

The Chair announced that no reportable action was taken in closed session.

ADJOURNMENT

Chair Julie Bueren adjourned the meeting at 2:05 PM.

/rj

*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.