

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

Teleconference Meeting 2010-04

August 25, 2010

Metro Center, ABAG's Conference Room B

101 8th Street, Oakland, CA 94607

WELCOME AND INTRODUCTIONS

Chairman John Cerini opened the meeting with introductions at 12:05 p.m.

Committee Representatives

Mark Armstrong
Chris Schroeder (Vice Chairman)
John Cerini (Chairman)
Becky Eaton
Jennifer Mennucci

Jurisdictions

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

Members Absent

Raj Pankhania
Ron Popp
Richard Sealana

City of Hercules
City of Millbrae
City of Union City

Staff Present

Michelle Williams
Herbert Pike
Ken Moy
Jerry Lahr
Henry Gardner

ABAG
ABAG
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ABAG POWER
ABAG

PUBLIC COMMENTS & ANNOUNCEMENTS

There were no public comments.

Henry Gardner is leaving ABAG. The current Deputy Executive Director, Ezra Rapport will be taking on the position of ABAG's new Executive Director. Rapport will also be the new President of ABAG POWER.

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APPROVAL OF SUMMARY MINUTES OF JUNE 16, 2010

Motion was made by Schroeder/S/Armstrong/C/4:0:0 to approve the Summary Minutes of June 16, 2010 Executive Committee Meeting.

Jennifer Mennucci joined the meeting at this point.

PROGRAM UPDATES

ABAG POWER is no longer receiving Electric Data for the City of Milpitas since July 2010, as the Pilot Program is now fully shut down.

ABAG POWER along with other Core Transportation Agents (CTAs) is continuing to be involved in settlement discussions with PG&E in the Gas Transmission & Storage rate case proceeding before the CPUC.

Regarding the rising cost of bank charges which was mentioned at the last budget discussions, Pike said Bankers offered to manage ABAG's accounts at a substantial reduction of several hundred dollars a month. Meetings are currently being held with the current manager to see if they can match the offer, if not, ABAG may have to convert to a new bank manager and reduce the overall bank charges for its members.

REPORT ON NATURAL GAS PROGRAM

Monthly Summary of Operations FY 09-10 and FY 10-11

Lahr provided the members with the Monthly Summary of Operations report for FY 2009-10. He said that the cumulative savings in comparison with PG&E is a significant -16.3% as of June 30, 2010.

Preliminary financials indicate that there is an over collection of funds over a million dollars which will be returned to members during the upcoming true-up process.

Gas Hedge Chart

Lahr provided the members with a chart showing ABAG POWER's long-term gas purchases. A new 3-month winter package for the months of December, 2010, January & February, 2011 was added recently. Lahr will be looking to purchase a few long-term gas contracts, starting from the month of April, 2011.

Historical Market Price Chart

Lahr presented a chart showing historical natural gas market prices.

Hedge Products

Lahr discussed two potential hedge products available to members, 1) Index Minus w/Floor (April 2008) and 2) Fixed Price w/Downside Share (July, 2010).

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ELECTRIC DIRECT ACCESS

Lahr provided an update on the status of electric direct access (DA), and the CPUC's proceeding to increase non-residential customers' access to DA.

He said there seems to be potential for individual agencies to have some savings on their individual electric accounts. There are a number of entities like SPURR and SEMBRA who are putting together aggregated groups of agencies to be filed in January, 2011. Interested agencies should contact Jerry Lahr.

ABAG FUNDING APPLICATIONS

Lahr provided the Committee with an update on ABAG's current energy-related funding proposals. These proposals/programs are:

- DOE Retrofit Ramp-Up
- CEC Retrofit Bay Area
- PG&E Green Communities:
 - GHG Inventory Assistance
 - Energy Benchmarking Assistance

AGENDA FOR ANNUAL BOARD MEETING

Lahr provided a draft agenda for the upcoming Annual Board Meeting.

ADJOURNMENT

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

/vm

Minutes prepared by Vina Maharaj from recorded tapes of the meeting.

*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.