



# SUMMARY MINUTES

**ABAG POWER Annual Board of Directors' Meeting 2013**

October 24, 2013

Joseph P Bort MetroCenter

101 Eighth Street, Oakland, CA 94607-4756

## **WELCOME**

Chairman Richard Sealana opened the meeting of the ABAG POWER Board of Directors' with introductions at 10:35 a.m.

The agencies having a representative at this meeting were as follows:

### **Jurisdictions Represented**

City of Benicia  
City of Fremont  
City of Los Altos  
City of Milpitas  
City of Oakland  
City of Orinda  
City of Pacifica  
City of Pleasanton  
City of Salinas  
City of Santa Rosa  
City of Union City  
County of Contra Costa  
County of Napa  
County of San Mateo  
County of Santa Clara  
Golden Gate Bridge & Highway District  
Housing Authority for the City of Alameda  
RAFC  
Town of Atherton  
Vallejo Sanitation & Flood Control District

### **Representatives**

Greg Henry  
Dan Schoenholz  
Dave Brees  
Chris Schroeder  
Pete Fong  
Tonya Gilmore  
Jim Reese  
Craig Higgins  
Michael Ricker  
Mark Armstrong  
Richard Sealana  
Julie Bueren  
Steve Lederer  
Doeg Koenig  
Lin Ortega  
Jennifer Mennucci  
Alan Olds  
Robert Hoffman  
George Rodericks  
Johnson Ho

### **Others Present**

City of Newark  
County of Santa Clara  
StopWaste.org

Peggy Claassen  
Sharlene Carlson  
Heather Larsen

**Staff Present**

|                   |            |
|-------------------|------------|
| Herbert Pike      | ABAG       |
| Jerry Lahr        | ABAG POWER |
| Vina Maharaj      | ABAG POWER |
| Kenneth Moy       | ABAG       |
| Michelle Williams | ABAG       |
| Jennifer Berg     | ABAG       |
| Daniel Hamilton   | ABAG       |

**WELCOME & CHAIRMAN'S OPENING REMARKS**

Chairman Richard Sealana welcomed the board members and provided a brief history and a general overview of the ABAG POWER Program. He introduced and extended a special acknowledgment to the 2012-2013 Executive Committee and the ABAG POWER Staff.

**PUBLIC COMMENTS**

There were no public comments.

**APPROVAL OF SUMMARY MINUTES OF OCTOBER 25, 2012 ANNUAL BOARD MEETING**

Motion was made by Schroeder/S/Koenig/19:0:1(Tonya Gilmore abstained)/C/ to approve the Summary Minutes of October 25, 2012 ABAG POWER Annual Board of Directors' meeting.

**ELECTION OF CHAIR AND VICE CHAIR FOR PROGRAM YEAR 2012-13**

Motion was made by Armstrong/S/Schroeder/20:0:0/C/ to elect Richard Sealana of the City of Union City as Chairman and Julie Bueren as Vice-Chairwoman of the ABAG POWER Executive Committee for program year 2013-14.

**RATIFICATION OF ABAG POWER EXECUTIVE COMMITTEE FOR PROGRAM YEAR 2013-14**

Motion was made by Schroeder/S/Bueren/20:0:0/C/to approve the proposed ABAG POWER Executive Committee for program year 2013-2014 as follows:

Julie Bueren, County of Contra Costa  
 Stephanie Hom, Town of Moraga  
 Alan Olds, Housing Authority of the City of Alameda  
 Chris Schroeder, City of Milpitas  
 Richard Sealana, City of Union City  
 Daniel Smith, City of Pleasanton  
 Angela Walton, City of Richmond

**STAFF REPORT AND REVIEW OF NATURAL GAS PROGRAM**

Lahr provided an in-depth report on the operations of the Natural Gas Program for FY2013-14. He provided a review of the program and discussed the program goals, long-term program achievements and gas purchasing strategies.



ABAG POWER's blend of long-term and short-term gas purchases resulted in a weighted average cost of gas for the year of \$3.70/Dth, representing a decrease of approximately 9% over the prior year. ABAG POWER's annual weighted average price was approximately 1.4% lower than PG&E's similar total rate (GNR-1). Due to the Program's levelized billing structure and long-term purchasing strategy, ABAG POWER's monthly rates were more stable than PG&E's rates throughout the year.

### **FINANCIAL REVIEW**

Herbert Pike presented the preliminary financial reports for fiscal year ending June 30, 2013. Auditors were in the process of auditing the financial statements, which will be available by December, 2013.

### **NATURAL GAS PIPELINE CAPACITY ISSUE**

Chairman Sealana and Lahr provided members with the background and details of the Gas Pipeline Capacity issue facing the program. They explained the previous California Public Utilities Commission (Commission) rulings, the 2002 Gas Accord decisions, and the approval by the Commission of the phase-in of full cost sharing beginning in 2015. The members were reminded of ABAG POWER's continued involvement in the regulatory process in an attempt to mitigate the stranded costs.

Lahr mentioned that while the goals of ABAG POWER are not solely related to cost savings, the stranded pipeline capacity costs could provide a significant barrier to this objective. The costs to the program in 2012-13 were approximately \$68,000, and are estimated to reach \$310,000/year by 2015 if current regulations remain unchanged

It was hoped that the current proceeding before the CPUC will result in modifications to the regulations so the program can begin to reduce the expenses associated with the stranded pipeline capacity costs.

### **SPEAKERS – BAY AREA REGIONAL ENERGY NETWORK (BAYREN)**

Jennifer Berg, ABAG's Program Manager of BayREN gave an overview of the BayREN Program. Sharlene Carlson of the County of Santa Clara gave a presentation on single family residential and financing. Heather Larson of StopWaste.org spoke on multi-family residential and Daniel Hamilton spoke about codes and standards.

### **ADJOURNMENT**

Chairman Sealana adjourned the meeting at 1:00 p.m.

/vm

\*Example of a motion – [Member No. 1/S/Member No. 2/O/Member No. 3/roll call vote/C/8:0:0] means Member No.1 motions, seconded by Member No.2, Opposed by Member No. 3, after roll call vote, motion carries, 8 = "yes" votes, 0 = "no" votes and 0 = abstentions.