



**ABAG POWER  
ANNUAL BOARD MEETING**

**October 29, 2009 (10:00 a.m. to 1:00 p.m.)**

**Association of Bay Area Governments  
Joseph P. Bort MetroCenter Auditorium  
101 Eighth Street, Oakland, CA 94607**

**Chairman: John Cerini**

- |   |          |               |
|---|----------|---------------|
| <b>1. Welcome</b><br>ATTACHMENT 1A – ABAG POWER JPA MEMBERS LIST<br>ATTACHMENT 1B – ABAG POWER JPA MEMBERS ADDRESS LIST   | Cerini   |               |
| <b>2. Public Comments</b>   | Cerini   |               |
| <b>3. Approval of Minutes from October 30, 2008 Annual Board Meeting</b><br>ATTACHMENT 3A – SUMMARY MINUTES OF OCTOBER 30, 2008   | Cerini   | <b>Action</b> |
| <b>4. Election of ABAG POWER Officers (Chair and Vice Chair)</b><br>ATTACHMENT 4A - PROPOSED EXECUTIVE COMMITTEE FOR FY 09-10   | Cerini   | <b>Action</b> |
| <b>5. Status of Electric Program Funds</b><br>Staff will discuss the resolution of the final Electric Program activities and distribution of remaining funds.<br>ATTACHMENT 5A – ELECTRIC PROGRAM STATUS MEMO<br>ATTACHMENT 5B – ELECTRIC ESCROW FUNDS SETTLEMENT ALLOCATION  | Lahr/Moy | Info.         |
| <b>6. Review of Natural Gas Program</b><br>Staff will report the results of the Natural Gas Program for the 2008 – 2009 fiscal year, as well as provide multi-year review of the Program.<br>ATTACHMENT 6A - STAFF REPORT ON FY 08-09 NATURAL GAS PROGRAM<br>ATTACHMENT 6B – 2008-09 SUMMARY OF NATURAL GAS PROGRAM   | Lahr     | Info.         |
| <b>7. Energy Data Management Project</b><br>Staff will provide an update on the status of the Energy Data Pilot Project.<br>ATTACHMENT 7A – ENERGY DATA PILOT PROJECT STATUS MEMO   | Lahr     | Info.         |
| <b>8. Natural Gas Litigation</b><br>Staff will discuss the status/outcome of the natural gas litigation and present a recommendation for the allocation of proceeds.<br>ATTACHMENT 8A – GAS LITIGATION STATUS & SETTLEMENT DISTRIBUTION<br>ATTACHMENT 8B - GAS SETTLEMENT DISTRIBUTION ALLOCATION FOR CURRENT MEMBERS | Lahr/Moy | Info.         |

# ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area



- 9. Financial Review** Pike Info.  
Staff will review preliminary financial statements for FY 2008-09  
ATTACHMENT 9A - FINANCIAL REPORTS MEMO  
ATTACHMENT 9B.1.2.3. – PRELIMINARY FINANCIAL REPORTS

- 10. ABAG Energy Watch/ Green Communities/ Solar & Energy Efficiency District** Lahr Info.  
Staff will provide a review of the ABAG Energy Watch program as well as a status update on the Green Communities and SEE District development.

### Break for Lunch

- 11. Guest Speaker – Bruce Riordan – Climate Consultant to JPC** Info.  
Discussion of the regional agencies' (ABAG, BAAQMD, BCDC, MTC) actions related to climate change and greenhouse gas reduction. Will discuss the six joint actions selected for 2009 – 2010.

**Adjourn approximately 1:00 p.m.**

**THE BOARD MAY TAKE ANY ACTION, INCLUDING NO ACTION, ON ANY ITEM ON THIS AGENDA.**

**ABAG POWER Board of Directors (JPA Membership)**

Total JPA Membership = 67  
Current Gas Members = 38

Jurisdiction	Primary & Alternate	Membership Status	
		Natural Gas Member (Current)	Current JPA Member Was Electric (Suspended) and/or Gas Member (opted out)
Alameda, City of	Margaret Mc Lean (P) Pam Sibley (A)	Gas	
Albany, City of	Charles Adams (P)	Gas	Electric
Antioch, City of	Dawn Merchant (P) Jim Jakel (A)		Electric
Arcata, City of	John Raley (P)		Electric
Belmont, City of	Jack Crist (P) Karl Mittelstadt (A)		Gas (Opted-Out)
Benicia, City of	Robert Sousa (P) Abby Urrutia (A)	Gas	Electric
Berkeley, City of	Neal De Snoo (P)		Electric
Cloverdale, City of	Nina D. Regor (P)		Electric
Cotati, City of	Dianne Thompson (P)		Electric
Cupertino, City of	Carol Atwood (P)	Gas	Electric
Daly City, City of	Don McVey (P)		Electric Gas (Opted-Out)
Davis, City of	Bob Weir (P) Sue Gedestad (A)		Electric
El Cerrito, City of	Maria Sanders (P) Garth Schultz (A)		Electric
Foster City, City of	Ray Towne (P)		Electric Gas (Opted-Out)
Fremont, City of	Harriet Commons (P) Don Dorman (A)	Gas	
Gonzales, City of	Rene Mendez (P) Carlos Lopez (A)	Gas	Electric
Half Moon Bay, City of	Hector Lwin (P) Paula Krogh (A)	Gas	Electric
Hercules, City of	Raj Pankhania (P) Gloria Leon (A)	Gas	Electric
Los Altos, City of	Brian McCarthy (P) Doug Schmitz (A)	Gas	Electric
Menlo Park, City of	Glen Rojas (P) Carol Augustine (A)		Electric Gas (Opted-Out)
Mill Valley, City of	Eric Erickson (P)	Gas	Electric

Jurisdiction	Primary & Alternate	Membership Status	
		Natural Gas Member (Current)	Current JPA Member Was Electric (Suspended) and/or Gas Member (opted out)
Millbrae, City of	Ron (Pope) Popp (P) Khee Lim (A)	Gas	Electric
Milpitas, City of	Emma Karlen (P) Chris Schroeder (A)	Gas	Electric
Monte Sereno, City of	Brian Loventhal (P)	Gas	
Newark, City of	Peggy Claassen (P)		Electric
Oakland, City of	Scott Wentworth (P)	Gas	
Orinda, City of	Janet Keeter (P) Monica Pacheco (A)	Gas	Electric
Pacifica, City of	Ann Ritzma (P) Sandra McClellan (A)	Gas	Electric
Patterson, City of	M. Cleve Morris (P)		
Petaluma, City of	Vincent Marengo (P) Michael Ban (A)	Gas	Electric
Pinole, City of	Belinda Espinosa (P)		Electric Gas (Opted-Out)
Pleasanton, City of	Daniel Smith (P)	Gas	Electric
Richmond, City of	Yader Bermudez (P) Angela Rush/Adam Lenz (A)	Gas	
Salinas, City of	Miguel Gutierrez (P)	Gas	Electric
San Carlos, City of	Jeff Maltbie (P)	Gas	Electric
San Leandro, City of	Stephen Hollister (P) Mike Bakaldin (A)		Electric
San Mateo, City of	Hossein Golestan (P)		Electric Gas (Opted-Out)
San Pablo, City of	Bradley J. Ward (P) Brock Arner (A)		Electric
San Rafael, City of	Cindy Mosser (P) Joyce McCarthy (A)	Gas	
Santa Rosa, City of	Mark Armstrong (P) Ed Buonaccorsi (A)	Gas	Electric
Saratoga, City of	Thomas Scott (P) Mary Furey (A)	Gas	Electric
Sebastopol, City of	Ron Puccineli (P)		Gas (Opted-Out)

Jurisdiction	Primary & Alternate	Membership Status	
		Natural Gas Member (Current)	Current JPA Member Was Electric (Suspended) and/or Gas Member (opted out)
Union City, City of	Richard Sealana (P)	Gas	Electric
Vallejo, City of	John Cerini (P) James Gajkowski (A)	Gas	Electric
Watsonville, City of	Gabriel Gordo (P) Bob Geyer (A)	Gas	
Winters, City of	John Donlevy (P) Shelly Gunby (A)	Gas	Electric
Atherton, Town of	Jerry Gruber (P) Louise Ho (A)	Gas	Electric
Hillsborough, Town of	Edna Masbad (P)		Electric Gas (Opted-Out)
Los Altos Hills, Town of	Richard Chiu, Jr. (P)		Electric
Moraga, Town of	Jill Mercurio (P) Joan Streit (A)	Gas	Electric
Windsor, Town of	James McAdler (P)		Electric
Butte, County of	Richards L. Hall (P) Grant Hunsicker (A)		Electric
Contra Costa, County of	Terry Mann (P) Becky Eaton (A)	Gas	Electric
Monterey, County of	Mario Salazar (P)		Electric
Napa, County of	John Payne (P) Russell Schneider (A)	Gas	Electric
San Mateo, County of	Doug Koenig (P) Gary Behrens (A)	Gas	Electric
Santa Clara, County of	Lin Ortega (P) Jeff Draper (A)	Gas	
Sonoma, County of	John Haig (P)		Electric
Eastside Union High School Dist.	John Lawrence (P)	Gas	
Golden Gate Bridge District	Jennifer Mennucci (P) Alice Ng (A)	Gas	Electric
H.A.R.D.	Larry Lepore (P) Karl Zabel (A)		Electric
Housing Authority County of Alameda	Tom Makin (P) Christine Gouig (A)		Electric
Los Trancos County Water Dst.	Keri Tate (P)		Electric
R.A.F.C.	Teri Green (P) Robert Hoffman (A)	Gas	Electric

Jurisdiction	Primary & Alternate	Membership Status	
		Natural Gas Member (Current)	Current JPA Member Was Electric (Suspended) and/or Gas Member (opted out)
South County Fire Authority	Doug Fry (P)		Electric
Vallejo Sanitary & Flood Control	Barry Pomeroy (P) Ron Matheson (A)	Gas	
West County Wastewater District	Brian Hill (P)		Electric

**ABAG POWER JPA MEMBERS ADDRESS LIST**

<p>Marge McLean Public Works Coordinator <b><u>City of Alameda</u></b> 950 West Mall Square, Room 110 Alameda, CA 94501</p>	<p>Charles Adams Finance Director <b><u>City of Albany</u></b> 1000 San Pablo Ave Albany, CA 94706</p>
<p>Robert Sousa Finance Director, Dept. of Finance, Information Technology and Transit Operations <b><u>City of Benicia</u></b> 250 East "L" Street Benicia, CA 94510</p>	<p>Carol Atwood Director of Administrative Services <b><u>City of Cupertino</u></b> 10300 Torre Avenue Cupertino, CA 95014</p>
<p>Harriet Commons Finance Director <b><u>City of Fremont</u></b> 3300 Capitol Avenue, Bldg. A Fremont, CA 94537</p>	<p>Rene Mendez City Manager <b><u>City of Gonzales</u></b> P.O. Box 647 Gonzales, CA 93926</p>
<p>Hector Lwin Finance Director <b><u>City of Half Moon Bay</u></b> 501 Main Street Half Moon Bay, CA 94019-1921</p>	<p>Raj Pankhania Special Projects Director <b><u>City of Hercules</u></b> 111 Civic Drive Hercules, CA 94547</p>
<p>Brian McCarthy Municipal Services Manager <b><u>City of Los Altos</u></b> One North San Antonio Road Los Altos, CA 94022</p>	<p>Eric Erickson Finance Director <b><u>City of Mill Valley</u></b> P.O. Box 1029 Mill Valley, CA 94942</p>
<p>Ron Popp Public Works Director <b><u>City of Millbrae</u></b> 621 Magnolia Avenue Millbrae, CA 94030</p>	<p>Emma Karlen Finance Director <b><u>City of Milpitas</u></b> 455 E. Calaveras Boulevard Milpitas, CA 95035-5411</p>

**ABAG POWER JPA MEMBERS ADDRESS LIST**

<p>Brian Loventhal  City Manager  <b><u>City of Monte Sereno</u></b>  18041 Saratoga Los Gatos Rd.  Monte Sereno, CA 95030</p>	<p>Scott Wentworth  Energy Engineer  <b><u>City of Oakland</u></b>  7101 Edgewater Drive, Bldg. 2  Oakland, CA 94621</p>
<p>Janet Keeter  City Manager  <b><u>City of Orinda</u></b>  Box 2000  Orinda, CA 94563</p>	<p>Ann Ritzma  Administrative Services Director  <b><u>City of Pacifica</u></b>  170 Santa Maria Avenue  Pacifica, CA 94044</p>
<p>Vincent Marengo  Public Works Director  <b><u>City of Petaluma</u></b>  P.O. Box 61  Petaluma, CA 94953-0061</p>	<p>Daniel Smith  Director, Operations Services  <b><u>City of Pleasanton</u></b>  P.O. Box 520  Pleasanton, CA 94566-0802</p>
<p>Yader Bermudez  Public Works Operations &amp; Maintenance  Director  <b><u>City of Richmond</u></b>  No. 6 13th Street  Richmond, CA 94801</p>	<p>Miguel Gutierrez  Accounting Manager  <b><u>City of Salinas</u></b>  200 Lincoln Avenue  Salinas, CA 93901</p>
<p>Jeff Maltbie  Administrative Services Director  <b><u>City of San Carlos</u></b>  600 Elm Street  San Carlos, CA 94070-3085</p>	<p>Cindy Mosser  Finance Director  <b><u>City of San Rafael</u></b>  P.O. Box 151560  San Rafael, CA 94915-1560</p>
<p>Mark Armstrong  Facilities Maintenance &amp; Operations  Coordinator  <b><u>City of Santa Rosa</u></b>  55 Stony Point Rd.  Santa Rosa, CA 95401</p>	<p>Thomas Scott  Facilities Maintenance Supervisor  <b><u>City of Saratoga</u></b>  19700 Allendale Avenue  Saratoga, CA 95070</p>

**ABAG POWER JPA MEMBERS ADDRESS LIST**

<p>Richard Sealana                  Superintendent of Public Works  <u><b>City of Union City</b></u>                  34009 Alvarado Niles Road                  Union City, CA 94587</p>	<p>John Cerini                  Maintenance Superintendent  <u><b>City of Vallejo</b></u>                  111 Amador Street                  Vallejo, CA 94590</p>
<p>Gabriel Gordo                  Solid Waste Division Manager  <u><b>City of Watsonville</b></u>                  P.O. Box 5000                  Watsonville, CA 95077</p>	<p>John Donlevy                  City Manager  <u><b>City of Winters</b></u>                  318 First Street                  Winters, CA 95694</p>
<p>Terry Mann                  Deputy Director, General Services  <u><b>County of Contra Costa</b></u>                  1220 Morello Avenue, Ste. 200                  Martinez, CA 94553</p>	<p>John Payne                  Napa County Facilities and Fleet Manager  <u><b>County of Napa</b></u>                  1195 Third St., Rm 201                  Napa, CA 94559</p>
<p>Doug Koenig                  Deputy Director of Public Works  <u><b>County of San Mateo</b></u>                  555 County Center, 5th Floor                  Redwood City, CA 94063</p>	<p>Lin Ortega                  Utility Engineer Program Manager  <u><b>County of Santa Clara</b></u>                  2310 N. 1st St.                  San Jose, CA 95131</p>
<p>John Lawrence                  Director of Facilities  <u><b>East Side Union High School</b></u>                  830 North Capitol Avenue                  San Jose, CA 95133-1316</p>	<p>Jennifer Mennucci                  Budget and Program Analysis Manager  <u><b>Golden Gate Bridge, Highway and Transportation</b></u>                  P.O. Box 9000, Presidio Station                  San Francisco, CA 94129</p>
<p>Teri L. Green                  Director, Administrative and Technology Services  <u><b>R.A.F.C.</b></u>                  101 Eighth Street, 3rd Floor                  Oakland, CA 94607-4756</p>	<p>Jerry Gruber                  City Manager  <u><b>Atherton, Town of</b></u>                  91 Ashfield Road                  Atherton, CA 94027-3897</p>

**ABAG POWER JPA MEMBERS ADDRESS LIST**

<p>Jill Mercurio Public Works Director/Town Engineer <b><u>Town of Moraga</u></b> P.O. Box 188 Moraga, CA 94556</p>	<p>Barry Pomeroy Director of Operations and Maintenance <b><u>Vallejo Sanitation and Flood Control District</u></b> 450 Ryder Street Vallejo, CA 94590</p>
<p>Dawn Merchant Finance Director <b><u>City of Antioch</u></b> P.O. Box 5007 Antioch, CA 94531-5007</p>	<p>John Raley City Manager <b><u>City of Arcata</u></b> 736 F. Street Arcata, CA 95521</p>
<p>Jack Crist City Manager (Interim) <b><u>City of Belmont</u></b> One Twin Pines Lane, Suite 340 Belmont, CA 94002</p>	<p>Neal DeSnoo Division Manager, Energy &amp; Sustainable Development <b><u>City of Berkeley</u></b> 2120 Milvia St., 2nd Floor Berkeley, CA 94704</p>
<p>Nina Regor City Manager <b><u>City of Cloverdale</u></b> P.O. Box 217 Cloverdale, CA 95425-3352</p>	<p>Dianne Thompson City Manager <b><u>City of Cotati</u></b> 201 W. Sierra Avenue Cotati, CA 94931-4217</p>
<p>Don McVey Finance Director <b><u>City of Daly City</u></b> 333 90th Street Daly City, CA 94015-1895</p>	<p>Bob Weir Public Works Director <b><u>City of Davis</u></b> 1717 Fifth Street Davis, CA 95616</p>
<p>Maria Sanders Environmental Services Division <b><u>City of El Cerrito</u></b> 10890 San Pablo Avenue El Cerrito, CA 94530</p>	<p>Ray Towne Public Works Director <b><u>City of Foster City</u></b> 610 Foster City Blvd. Foster City, CA 94404</p>

**ABAG POWER JPA MEMBERS ADDRESS LIST**

<p>Glen Rojas City Manager <b><u>City of Menlo Park</u></b> 701 Laurel Street Menlo Park, CA 94025-3452</p>	<p>Peggy Claassen Public Works Director <b><u>City of Newark</u></b> 37101 Newark Blvd. Newark, CA 94560-3796</p>
<p>M. Cleve Morris City Manager <b><u>City of Patterson</u></b> P.O. Box 667 Patterson, CA 95363</p>	<p>Belinda Espinosa City Manager <b><u>City of Pinole</u></b> 2131 Pear Street Pinole, CA 94564</p>
<p>Stephen Hollister City Manager <b><u>City of San Leandro</u></b> 835 East 14th Street San Leandro, CA 94577-3782</p>	<p>Hossein Goldstan Finance Director <b><u>City of San Mateo</u></b> 330 W. 20th Avenue San Mateo, CA 94403-1338</p>
<p>Bradley J. Ward Finance Director <b><u>City of San Pablo</u></b> One Alvarado Square San Pablo, CA 94806-5917</p>	<p>Ron Puccineli Administrative Services Director <b><u>City of Sebastopol</u></b> P.O. Box 1776 Sebastopol, CA 95473</p>
<p>Richards Hall General Service Director <b><u>County of Butte</u></b> 2081 2nd Street Oroville, CA 95965-3413</p>	<p>Mario Salazar Facilities Manager, Public Works Dept. <b><u>County of Monterey</u></b> 855 E. Laurel Dr. Salinas, CA 93905</p>
<p>John Haig Energy &amp; Sustainability Manager <b><u>County of Sonoma</u></b> 2300 County Center Drive, Ste. A200 Santa Rosa, CA 94503</p>	<p>Larry Lepore Park Superintendent <b><u>H.A.R.D.</u></b> 1099 E Street Hayward, CA 94541</p>

**ABAG POWER JPA MEMBERS ADDRESS LIST**

<p>Tom Makin Deputy Director for Operations <b><u>Housing Authority County of Alameda</u></b> 22941 Atheron Street Hayward, CA 94541</p>	<p>Keri Tate District Treasurer <b><u>Los Trancos County Water District</u></b> 162 Los Trancos Circle Portola Valley, CA 94028</p>
<p>Doug Fry Fire Chief <b><u>Belmont-San Carlos Fire Dept.</u></b> 600 Elm Street San Carlos, CA 94070</p>	<p>Edna Masbad Finance Director <b><u>Town of Hillsborough</u></b> 1600 Floribunda Avenue Hillsborough, CA 94010-6498</p>
<p>Carl Cahill City Manager <b><u>Town of Los Altos Hills</u></b> Town Hall 26379 Fremont Rd. Los Altos Hills, CA 94022-2698</p>	<p>James McAdler Administrative Services Director (Finance) <b><u>Town of Windsor</u></b> P.O. Box 100 Windsor, CA 95492</p>
<p>Brian Hill Plant Superintendent <b><u>West County Wastewater District</u></b> 2910 Hilltop Drive Richmond, CA 94806</p>	



# SUMMARY MINUTES

**ABAG POWER Annual Board of Directors' Meeting 2008**

October 30, 2008

Joseph P Bort MetroCenter

101 Eighth Street, Oakland, CA 94607-4756

## **WELCOME**

Chairman Ed Buonaccorsi opened the meeting of the ABAG POWER Board of Directors' with introductions at 10:30 a.m.

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

### **Jurisdictions Represented**

City of Alameda  
City of Albany  
City of Belmont  
City of El Cerrito  
City of Fremont  
City of Half Moon Bay  
City of Hercules  
City of Millbrae  
City of Milpitas  
City of Newark  
City of Oakland  
City of Orinda  
City of Patterson  
City of Pleasanton  
City of Richmond  
City of Salinas  
City of San Mateo  
City of Santa Rosa  
City of Saratoga  
City of Union City  
City of Vallejo  
City of Watsonville  
County of Butte  
County of Contra Costa  
County of Napa  
County of San Mateo  
County of Santa Clara  
County of Sonoma  
Golden Gate Bridge & Highway District

### **Representatives**

Marge McLean  
Charles Adams  
Karl Mittelstadt  
Garth Schultz  
Harriet Commons  
Paula Krogh  
Raj Pankhania  
Ron Popp  
Chris Schroeder  
Peggy Classen  
Scott Wentworth  
Beverly Marshall  
M. Cleve Morris  
Daniel Smith  
Ralph Lloyd  
Miguel Gutierrez  
Hossein Golestan  
Ed Buonaccorsi  
Thomas Scott  
Richard Sealana  
John Cerini  
Gabriel Gordo  
Richard Hall  
Terry Mann  
Kimberly Payne  
Doeg Koenig  
Stephen McNulty/Phyllis Boden  
John Haig  
Jennifer Mennucci



Hayward Area Recreational District  
(H.A.R.D.)  
Housing Authority for the County of Alameda  
RAFC  
Moraga, Town of  
Vallejo Sanitation and Flood Control District

Karl Zabel  
Tom Makin  
Teri Green  
Jill Mercurio  
Barry Pomeroy

**Guests Present**

Stephen Compagni Portis  
Burt Miller  
Wandy Yu

Renewable Funding  
San Francisco (member of the public)  
San Francisco (member of the public)

**Staff:**

Halimah Anderson  
Cheryl Adsit  
Henry L. Gardner  
Jerry Lahr  
Vina Maharaj  
Kenneth Moy  
Herb Pike

ABAG  
ABAG  
ABAG  
ABAG POWER  
ABAG POWER  
ABAG  
ABAG

**PUBLIC COMMENTS**

There were no public comments.

**CHAIRMAN'S OPENING REMARKS**

Chairman Buonaccorsi 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 2007-08 Executive Committee and the ABAG POWER Staff.

**APPROVAL OF SUMMARY MINUTES OF OCTOBER 17, 2007 ANNUAL BOARD MEETING**

Motion was made by Schroeder/S/Mennucci/25:0:0/C/ to approve the Summary Minutes of October 17, 2007 ABAG POWER Annual Board of Directors' meeting.

**ELECTION OF ABAG POWER OFFICERS (CHAIR AND VICE CHAIR)**

Motion was made by Popp/S/Mann/25:0:0/C/ to elect John Cerini of the City of Vallejo as Chairman and Jennifer Mennucci of the Golden Gate Bridge District as Vice-Chairwoman of the ABAG POWER Executive Committee for program year 2008-09.



### CONFIRMATION OF EXECUTIVE COMMITTEE MEMBERS

Motion was made by McLean/S/Marshall/25:0:0/C/ to approve the proposed ABAG POWER Executive Committee for program year 2008-2009 as follows:

- Ed Buonaccorsi, City of Santa Rosa
- John Cerini, City of Vallejo
- Terry Mann, County of Contra Costa
- Jennifer Mennucci, Golden Gate Bridge, Highway & Transportation District
- Raj Pankhania, City of Hercules
- Ron Popp, City of Millbrae
- Chris Schroeder, City of Milpitas

### STATUS OF ELECTRIC PROGRAM FUNDS

Jerry Lahr provided the members with an update on the electric program status. ABAG POWER and each Electric Program participant executed the Windup Agreement which distributed all Program assets and liabilities, except approximately \$1.5 million in agency funds on deposit with the Northern California Power Agency (Electric Program Funds). These funds can not be released until regulatory enforcement actions by the FERC, a lawsuit by the investor-owned public utilities and the bankruptcy of the Cal PX have been resolved.

Motion was made by SchroederS/Mann/25:0:0 /C/ as follows:

1. ABAG Staff to continue to passively monitor these outstanding issues, indefinitely;
2. Only \$7,000 balance remains from the \$100,000 hold-back funds. Once these funds are depleted, ABAG Staff to begin to record their monitoring expenses;
3. Once the issues are wrapped up, ABAG would make a claim against the Program Funds, for reimbursement;
4. ABAG Staff to consult with the Executive Committee if the monitoring costs become significant.

### STAFF REPORT AND REVIEW OF NATURAL GAS PROGRAM

Lahr provided an in-depth report on the operations of the Natural Gas Program for the 2007-08 fiscal year. He also provided a multi-year review of the program, and discussed gas purchasing strategies.

During the period January 2003 to present, the Natural Gas Program achieved greater price stability than PG&E. The Program's net savings for the year ending June 30, 2008 is 7.3%.

Staff will continue to monitor the Program's gas purchasing strategy to best maximize the goals of the Program, *Price Stability and Cost Savings*.

ABAG POWER will continue to aid members in all areas of energy management such as the ABAG Energy Watch program and the Green Communities Program.



### **FINANCIAL REVIEW FOR FY 07-08**

Herb Pike presented the preliminary financial reports for fiscal year ending June 30, 2008. All revenues and expense categories were within expectations and reasonable with respect to the budget for FY 07-08. Auditors were in the process of auditing the financial statements, which will be available by December, 2008.

### **NATURAL GAS LITIGATION**

Staff provided the members with a status/outcome of the natural gas litigation, as follows:

- ABAG POWER has received one settlement check for \$218,863.76, and expects to receive a total final settlement of approximately \$440,000;
- Members have received a proposed method of allocating the proceeds to members based on usage during the relevant period (Jun 2000 - Dec 2002), including an estimate of each member's potential proceeds.

Staff described the Executive Committee recommendation for use of settlement proceeds as follows:

- Retain the settlement proceeds allocable to current gas program members. Return the proceeds to opt-out members;
- Dedicate the funds for program infrastructure improvements to benefit ABAG POWER members;
- Authorize initial expenditure of up to \$50,000 for an Energy Data System Upgrade;
- ABAG POWER Executive Committee to direct the use of additional funds.

The Board members discussed the costs and benefits of the proposed Energy Data System Upgrade.

Motion was made by Buonaccorsi/S/Wentworth/C/30:1:0 (Doug Koenig, San Mateo County with a "no" vote/zero abstentions), as follows:

- Retain the settlement proceeds until given further direction by the Executive Committee or Board;
- Allocate \$50,000 as a new line item within the current FY 2008-09 budget for the implementation of the Energy Data System Upgrade;
- Proceed with the pilot project portion of the upgrade (estimated cost \$13,000);
- Once the pilot project is completed, staff to report back to the Executive Committee with the results of the project to include a recommendation for moving forward with additional upgrades.

### **ABAG ENERGY WATCH/GREEN COMMUNITIES**

Lahr provided an overview, breadth and depth of services provided, and a list of the current participants enrolled in the ABAG Energy Watch program. Technical services, energy assessment reports, benchmarking, goals and lessons learned from the program were discussed. Lahr also spoke about the Green Communities Program goals and benefits.



**GUEST SPEAKER – STEPHEN COMPAGNI PORTIS, Visiting Scholar at UC Berkeley and founder of the company “Renewable Funding”**

Stephen Compagni gave a presentation on the subject of BerkeleyFIRST’s model of financing initiative for renewable and solar technology.

**ADJOURNMENT**

Chairman Buonaccorsi 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.



<b>Proposed ABAG POWER Executive Committee for FY 2009-10</b>		
Mark Armstrong	Facilities Maintenance & Operations Coordinator	City of Santa Rosa
John Cerini	Maintenance Superintendent	City of Vallejo
Terry Mann	Deputy Director, General Services	County of Contra Costa
Jennifer Mennucci	Budget & Program Analysis Manager	Golden Gate Bridge, Highway and Transportation District
Raj Pankhania	Special Projects Director	City of Hercules
Ron Popp	Public Works Director	City of Millbrae
Chris Schroeder	Purchasing Officer	City of Milpitas
Richard Sealana	Superintendent of Public Works	City of Union City

<b><u>ABAG POWER Staff</u></b>	
Henry Gardner	ABAG POWER President; ABAG Executive Director
Gerald L. Lahr	ABAG POWER Program Manager
Vina Maharaj	ABAG POWER Administrative Assistant/Customer Services Technician
Kenneth Moy	ABAG Legal Counsel
Herb Pike	ABAG Finance Director

# MEMORANDUM

ASSOCIATION OF BAY AREA GOVERNMENTS Agenda Item #5A  
Representing City and County Governments of the San Francisco Bay Area



DT: October 22, 2009

TO: ABAG POWER Board of Directors

FM: Gerald L. Lahr, ABAG POWER Program Manager  
Kenneth Moy, ABAG Legal Counsel

RE: **Electric Program Final Resolution and Settlement Allocation**

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## Summary

During this past summer ABAG POWER reached an agreement with the Northern California Power Agency (NCPA) for the release of a portion (\$1,250,000) of the funds it has held since the Electric Program was suspended in July 2001. The agreement is a complete settlement of NCPA's obligations to ABAG POWER, and ABAG POWER is released from any future liability related to the on-going proceedings before the Federal Energy Regulatory Commission (FERC) and lawsuits in State and Federal courts.

## Background.

From 1997 to 2001, ABAG POWER operated a purchasing pool for electricity when California 'deregulated' the electrical utility industry (Electric Program). In 2004, ABAG POWER distributed all Electric Program assets, except for the funds described in this memorandum (Deposits), to each of the 56 participants. The Windup Agreement between ABAG POWER and the participants describes in detail how ABAG POWER marshaled assets and accounted for net assets and liabilities, and the proposed initial distribution among participants<sup>1</sup>. The Windup Agreement also describes a process to marshal, account for and distribute two funds – "ISO Escrow Deposit" and "PX Escrow Deposit" (collectively, Deposits) – that were not available for distribution in 2004.

During the operation of the Electric Program, ABAG engaged NCPA, a joint powers agency comprised of fifteen (15) public entities, to act as the scheduling coordinator (SC) for the Electric Program. ABAG POWER funded the Deposits and left them with NCPA to enable NCPA to act as ABAG POWER's SC. Upon termination of the Electric Program and in the wake of the collapse of the deregulated electric utility industry, the Deposits became subject to regulatory actions by FERC and to a series of Federal and State lawsuits. NCPA retained control over the Deposits in anticipation of the time when all regulatory proceedings and litigation would be resolved. ABAG POWER negotiated a partial release of the ISO Escrow Deposit in 2002 and distributed those proceeds to former Electric Program participants in proportion to the amounts

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<sup>1</sup> The text of the Windup Agreement and attachments showing the initial distribution can be viewed and downloaded at: <http://www.abag.ca.gov/services/power/electric.html>.

# MEMORANDUM

ASSOCIATION OF BAY AREA GOVERNMENTS Agenda Item #5A  
Representing City and County Governments of the San Francisco Bay Area

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originally collected. The FERC regulatory proceedings and the litigation are still active and there is no indication that they will conclude in the foreseeable future.

## **Settlement.**

In June NCPA provided ABAG POWER with an accounting of the monies in the Deposits and confidential information on the demands made by litigants and the costs of defense attributable to the Electric Program. NCPA proposed to release the balance of the Deposits to ABAG POWER.

After a brief series of negotiations, NCPA and ABAG POWER entered into a “Mutual Release and Accounting” providing as follows:

- NCPA releases \$1,250,000 to ABAG POWER in full settlement of, and a complete accounting for, ABAG POWER’s claim to the Deposits
- Each party releases the other from any claim(s) it may have against the other arising out of the FERC regulatory proceedings or the litigation.

## **Proceeds Allocation.**

Attached is a spreadsheet showing the allocation of the settlement proceeds to all Electric Program participants. The allocation method is based on the total program electricity usage, as agreed upon in the Wind-up Agreement. Also, as approved by the Board at the 2008 meeting, ABAG has kept track of costs associated with the Electric Program resolution during the past year, and will deduct these costs from the settlement proceeds prior to distribution. These costs are approximately \$13,000.

/vm  
Attachment

cc: Henry Gardner, President, ABAG POWER  
Herb Pike, Finance Director, ABAG

**Electric Program Escrow Funds Settlement Allocation**

Allocation of the ABAG POWER Electric Program escrow fund settlement in accordance with the Wind-up Agreement (section 5(c)).

Settlement Amount:	\$ 1,250,000
Interest (through Oct.)	\$ 1,144
ABAG Costs	\$ (12,652)
Net Distribution to Members	\$ 1,238,492

Members	Grand Total Usage (kWh)	Usage %	Allocation in accordance with Wind-up Agreement	
			\$1,238,492	
City of Albany	3,269,408	0.35%	\$	4,293
Town of Los Altos Hills	314,682	0.03%		413
City of Antioch	49,175,835	5.21%		64,569
City of Arcata	3,562,992	0.38%		4,678
Town of Atherton	1,898,831	0.20%		2,493
City of Benicia	12,064,815	1.28%		15,841
City of Berkeley	2,696,431	0.29%		3,540
County of Butte	19,049,605	2.02%		25,012
City of Cloverdale	5,113,484	0.54%		6,714
County of Monterey	52,383,320	5.55%		68,780
County of Contra Costa	138,139,814	14.65%		181,380
City of Cotati	2,629,895	0.28%		3,453
City of Cupertino	13,694,587	1.45%		17,981
City of Daly City	41,194,260	4.37%		54,089
City of Davis	2,207,730	0.23%		2,899
City of El Cerrito	3,404,997	0.36%		4,471
City of Foster City	13,133,829	1.39%		17,245
Golden Gate Bridge District	13,208,235	1.40%		17,343
City of Gonzales	3,741,591	0.40%		4,913
City of Half Moon Bay	1,888,466	0.20%		2,480
H.A.R.D.	8,386,287	0.89%		11,011
City of Hercules	5,239,548	0.56%		6,880
Town of Hillsborough	7,611,796	0.81%		9,994
Housing Auth. Co. of Alameda	1,248,447	0.13%		1,639
City of Los Altos	5,152,008	0.55%		6,765
Los Trancos Co. Water District	670,686	0.07%		881
City of Menlo Park	11,546,594	1.22%		15,161
City of Millbrae	5,241,722	0.56%		6,882
City of Mill Valley	10,532,429	1.12%		13,829
City of Milpitas	11,013,448	1.17%		14,461
Town of Moraga	1,768,987	0.19%		2,323
County of Napa	14,477,518	1.53%		19,009
City of Newark	8,728,855	0.93%		11,461
City of Orinda	1,602,274	0.17%		2,104
City of Pacifica	8,145,529	0.86%		10,695
City of Patterson	6,354,738	0.67%		8,344
City of Petaluma	36,118,882	3.83%		47,425
City of Pinole	9,446,916	1.00%		12,404

**Electric Program Escrow Funds Settlement Allocation**

Allocation of the ABAG POWER Electric Program escrow fund settlement in accordance with the Wind-up Agreement (section 5(c)).

Settlement Amount:	\$ 1,250,000
Interest (through Oct.)	\$ 1,144
ABAG Costs	\$ (12,652)
Net Distribution to Members	\$ 1,238,492

Members	Grand Total		Allocation
	Usage (kWh)	Usage %	in accordance with Wind-up Agreement \$1,238,492
City of Pleasanton	28,757,666	3.05%	37,759
R.A.F.C.	11,869,270	1.26%	15,585
City of Salinas	26,619,689	2.82%	34,952
City of San Carlos	6,896,150	0.73%	9,055
City of San Leandro	32,799,800	3.48%	43,067
City of San Mateo	29,749,102	3.15%	39,061
County of San Mateo	98,391,072	10.43%	129,189
City of San Pablo	6,222,193	0.66%	8,170
City of Santa Rosa	54,963,333	5.83%	72,168
City of Saratoga	2,899,035	0.31%	3,806
County of Sonoma	4,805,048	0.51%	6,309
South Co. Fire Authority	601,994	0.06%	790
City of Union City	1,911,061	0.20%	2,509
City of Vacaville	5,162,752	0.55%	6,779
City of Vallejo	60,985,603	6.47%	80,075
West County Wastewater Dist.	13,699,914	1.45%	17,988
Town of Windsor	16,479,736	1.75%	21,638
City of Winters	4,366,833	0.46%	5,734
Total	943,239,722	100.00%	\$ 1,238,492

# MEMORANDUM

## ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area

Agenda Item #6A



DATE: October 22, 2009

TO: ABAG POWER Board of Directors

FROM: Gerald L. Lahr, Manager, ABAG POWER

RE: **Staff Report on 2008-2009 Natural Gas Program**

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### Summary

The past fiscal year saw market-rate natural gas prices fall dramatically from the highs of mid-2008. At the start of the year prices were at levels not seen since the post-Katrina period, while by the end of the year prices were lower than any time since before the energy crisis of 2000-01. For the year as a whole, PG&E-area natural gas prices ranged from approximately \$12.00/Dth in July to less than \$3.00/Dth in June. Prices have since remained relatively low, although recently rebounding somewhat to approximately \$5.00/Dth.

ABAG POWER's weighted average cost of gas for the year was \$7.32. The program's monthly rate operated in relatively narrow range of approximately \$4.00, as compared to the range for PG&E's similar (GNR-1) rate of approximately \$11.00.

The Natural Gas Program's net savings for the year ending June 30, 2009 was -8.0%, while the average savings for the period January 2003 to present was approximately -0.3%. During this entire period the Program has achieved greater price stability than PG&E.

### Program Goals

Since 2002 the ABAG POWER Natural Gas Program has operated with the dual, and often competing, goals of *Cost Savings* and *Price Stability*.

- **Price Stability.** It is desirable that the Program's purchasing strategy and costs allocation methods be such that will provide members a reasonable degree of certainty of the costs to be shared within any given program year.
- **Cost Savings.** Given the desire for price stability, the Program shall attempt to provide gas procurement services for less than the equivalent services provided by the default provider (i.e. PG&E).

To meet these goals the program has implemented a gas purchasing strategy that emphasizes multiple layers of long-term, fixed-price contracts for a majority of its gas load, while a smaller portion of gas is purchased with short-term, indexed-based contracts. This strategy has generally resulted in positive savings during times of rising markets, and negative savings during falling markets, while maintaining price stability.

# MEMORANDUM

## ASSOCIATION OF BAY AREA GOVERNMENTS

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### **Fiscal Year 2008 – 09.**

During the recently completed fiscal year, ABAG POWER purchased 70% of its gas with forward gas supply contracts.<sup>1</sup> The remaining gas requirements were purchased in monthly or daily blocks with the price tied to a market index.<sup>2</sup> During the year the Program's gas costs ranged from a high of \$12.85/Dth for daily, index-based gas in July 2008, to a low of \$2.72/Dth for daily gas in June 2009. Ultimately, ABAG POWER's annual weighted average price was approximately 8% higher than PG&E's similar total rate (GNR-1). Due to the Program's leveled billing structure, ABAG POWER's monthly rates were more stable than PG&E's rates throughout the year.

### **Long Term Program Achievements.**

During the period January 2003 – June 2008 ABAG POWER realized a total average gas savings<sup>3</sup> of -0.3%. Throughout this period the Program's prices continued to be more stable than PG&E's. This is due to a strategy that relies more heavily on longer-term, fixed-price purchases, as well as the leveled billing system.

While ABAG POWER's fixed price contracts produce greater stability, and have avoided the significant price spikes seen over the past several years, at times these contract prices are above the monthly and daily indices that are primarily followed by PG&E.

### **Operations and Billing.**

**Scheduling.** ABAG POWER began the fiscal year with a new gas scheduling agent: Golden Valley Gas Services. The program continues to schedule deliveries to take full advantage of the preferential transportation capacity that PG&E is required to offer to the program.

**Gas Purchase Agreements.** ABAG POWER continues to seek out gas suppliers that may provide benefits to its portfolio. The program currently maintains master gas purchase contracts with the following suppliers:

- Allied Energy Resources
- BP Energy
- Cook Inlet Energy Supply
- Shell Energy North America (formerly Coral Energy)
- Occidental Energy Marketing, Inc. (subsidiary of Occidental Petroleum)
- Pacific Summit Energy (subsidiary of Sumitomo Corp.)
- Sierra Southwest (Touchstone Energy Cooperative)
- Utility Resource Solutions (Spark Energy)

<sup>1</sup> Contracts greater than one month in length. Purchases staged throughout the year.

<sup>2</sup> National Gas Intelligence's (NGI's) monthly Bidweek index, or the Gas Daily's daily index for the appropriate delivery point.

<sup>3</sup> Compared to PG&E's GNR-1 rate.

# MEMORANDUM

## ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area

Agenda Item #6A



**Storage.** Core aggregation programs such as ABAG POWER are required to maintain certain gas storage requirements throughout the year. For instance, ABAG POWER is required to have approximately 820,000 therms of gas in storage at the start of the winter period (Nov. 1<sup>st</sup>). For the past four annual storage cycles,<sup>4</sup> ABAG POWER has chosen to utilize PG&E storage facilities to meet the coming year's storage requirements.

**Billing.** ABAG POWER continues to provide "ESP Consolidated Billing" services for all core accounts utilizing Electronic Data Interchange (EDI) processing. Under this option members receive only one bill with both ABAG POWER and PG&E charges. EDI processing is not available for noncore accounts, so these are billed using the "Dual Billing" option. Under Dual Billing PG&E sends a separate bill with just transportation and miscellaneous charges (i.e. no commodity charge).

ABAG POWER maintains its own internal system that provides for "levelized" billing. Every member is invoiced for a set amount each month that represents 1/12 of the annual cost estimate for that member. Along with the monthly levelized invoice, the program sends each member a detailed report showing the actual usage for each account. After the end of the fiscal year the actual costs for each member are compared to the levelized billings, and a credit or charge is then applied to true-up any difference.

### Financial

The total cost of the natural gas program for 2008-2009 decreased from the previous fiscal year by 6%: from \$10.1 million to \$9.5 million. This was primarily the result of a decrease in the Program's total gas commodity expense, and follows a 4% decrease in gas consumption. A review of each major program cost element is summarized below:

**Natural Gas Commodity Cost.** The natural gas commodity cost decreased from \$7.4 million in 2007-08 to \$6.8 million for the 2008-2009 program year. This total was significantly below the originally budgeted amount of \$10.7 million. The relative decrease in gas cost (6%) is slightly greater than the relative decrease in gas consumption (4%). The commodity portion of program costs is composed of: (1) natural gas purchases from gas suppliers for monthly consumption, (2) shrinkage, (3) required storage, and (4) additional costs to transport the gas to PG&E's distribution system. The natural gas commodity costs represented 71.6% of the total program costs for the year. The Program's total gas consumption decreased from 9,510,000 to 9,120,000 therms.

**Transportation and Distribution Costs.**<sup>5</sup> A major cost of the natural gas program is the amount charged for the transportation and distribution of natural gas to customers. During the past fiscal year these costs totaled approximately \$2.3 million representing a 4.7% decrease from the prior year, which roughly tracks the decrease in gas consumption. The great majority of the transportation and distribution costs are charged by PG&E to all customers and are subject to regulation by the CPUC ("PG&E Passthrough" costs). A small portion (approximately 3%) of the Program's transportation

<sup>4</sup> Annual Storage Cycle: April - March

<sup>5</sup> Distribution costs for noncore accounts are paid by the agency directly to PG&E, and are therefore not included in ABAG POWER's financial reports.

# MEMORANDUM

## ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area

Agenda Item #6A



costs vary depending on the path used to deliver the gas onto PG&E's distribution system, and are included as a "Cost of Energy Used" for financial reporting. During the past year the relative impact of the T&D costs was 24.3% of total program costs.

**Program Expenses.** The remaining costs of the program are the expenses for program management, billing services, gas scheduling and administrative support, including financial and legal services. The cost of these services was approximately \$367,200 or about 3.9% of the total program cost.

**Working Capital Deposits.** The ABAG POWER natural gas program agreement requires that each new member of the program provide a deposit equal to two times their estimated monthly charges (Working Capital Deposit). These funds are kept on deposit with the program and are refunded to members if they leave the program. The total deposit amount is generally reviewed on an annual basis to ensure the program has adequate cash reserves to meet all its payment obligations.

In August 2008, due to the extremely high commodity costs at the time, the Executive Committee approved an increase to the working capital deposits of \$300,000. This amount was collected from members during the fiscal year along with a redistribution of the deposits based on annual estimated usage.

As of June 30, 2009 the gas program had total Working Capital Deposits of: \$2,020,437, which represents 2.5 months worth of currently budgeted expenditures. This is deemed sufficient, and as a result, additional working capital deposits are not anticipated during the current year.

### **Conclusion**

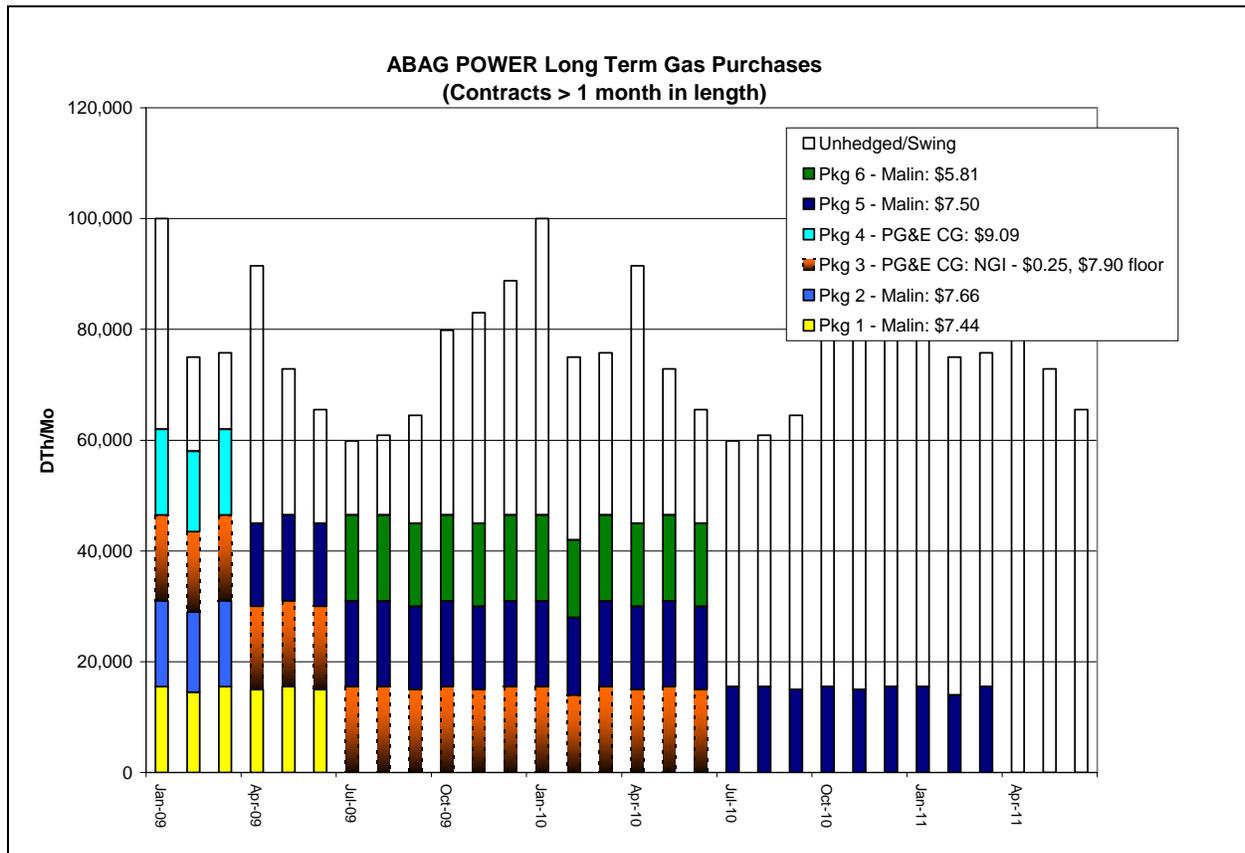
The goals of ABAG POWER's Natural Gas Program are to provide natural gas at a rate competitive with, or less than, the default provider (i.e. PG&E), while at the same time providing a rate that is stable and predictable. These goals require a balance between the need to have a large percentage of gas in long-range, fixed-price contracts or other hedge instrument, and the desire not to lock the program into higher than market rates. ABAG POWER currently maintains a hedged position of approximately 60% for FY 2009-10 (see chart below). Based on the program's current strategy, ABAG POWER will continue to look to the forward gas commodity markets to increase its overall hedged position to as much as 75% as favorable buying opportunities become available.

# MEMORANDUM

## ASSOCIATION OF BAY AREA GOVERNMENTS

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Agenda Item #6A



During the coming year we will continue to evaluate the Program's gas purchasing strategy to best maximize the goals of the Program: *Cost Savings* and *Price Stability*. ABAG POWER will also be looking for opportunities to aid members in all areas of energy management such as the Green Communities partnership program with PG&E, and the Solar and Energy Efficiency Financing District that is currently under development.

We look forward to working with you during the coming year to make this program responsive to the needs of its member agencies.

/vm

## Agenda Item #6B

### ABAG POWER Natural Gas Program

FY 2008-09 Monthly Summary of Operations

	days/mo.	Jul 31	Aug 31	Sep 30	Oct 31	Nov 30	Dec 31	Jan 31	Feb 28	Mar 31	Apr 30	May 31	Jun 30	Total
<b>Gas Purchases<sup>(1)</sup></b>														
Purchase 1	Qty	15,500	15,500	15,000	15,500	15,000	15,500	15,500	14,000	15,500	15,000	15,500	15,000	182,500
	Price	\$7.44	\$7.44	\$7.44	\$7.44	\$7.44	\$7.44	\$7.44	\$7.44	\$7.44	\$7.44	\$7.44	\$7.44	\$7.44
Purchase 2	Qty	15,500	15,500	15,000	15,500	14,781	15,500	15,500	14,000	15,500	15,500	15,500	15,000	182,281
	Price	\$7.66	\$7.66	\$7.66	\$7.66	\$7.66	\$7.66	\$7.66	\$7.66	\$7.66	\$7.50	\$7.50	\$7.50	\$7.50
Purchase 3	Qty	15,500	15,500	15,000	15,500	14,998	15,500	15,500	14,000	15,500	15,000	15,500	15,000	182,498
	Price	\$12.32	\$8.44	\$7.90	\$7.90	\$7.90	\$7.90	\$7.90	\$7.90	\$7.90	\$7.90	\$7.90	\$7.90	\$7.90
Purchase 4	Qty	13,826	13,594	13,200	13,578	15,000	15,500	15,500	14,000	15,500	11,460	8,711	8,370	158,239
	Price	\$12.18	\$8.28	\$7.17	\$6.26	\$9.09	\$9.09	\$9.09	\$9.09	\$9.09	\$3.59	\$2.87	\$3.00	\$3.00
Purchase 5	Qty	4,020	8,325	11,950	12,700	14,751	43,602	32,547	20,896	14,067	18,000	5,275	3,600	189,733
	Price	\$9.61	\$8.04	\$6.73	\$6.37	\$5.89	\$6.16	\$5.90	\$4.47	\$3.87	\$3.42	\$3.56	\$3.06	\$3.06
Total Quantity Purchased		64,346	68,419	70,150	72,778	74,530	105,602	94,547	76,896	76,067	74,460	60,486	56,970	895,251
Total Purchase Cost		\$631,970	\$544,309	\$520,008	\$522,386	\$566,554	\$766,122	\$689,330	\$542,684	\$551,818	\$445,386	\$397,749	\$378,739	\$6,557,055
Backbone Shrinkage (Dths)		(589)	(590)	(570)	(589)	(568)	(589)	(589)	(532)	(589)	(540)	(527)	(510)	
Weighted Avg. Cost of Gas (WACOG) <sup>(2)</sup>		\$9.91	\$8.02	\$7.47	\$7.24	\$7.66	\$7.30	\$7.34	\$7.11	\$7.31	\$6.03	\$6.63	\$6.71	\$7.32
<b>Storage/Inventory</b>														
Total Injections/ (Withdrawals)		11,966	11,966	12,738	10,633	0	(14,350)	(19,665)	(16,150)	(12,144)	13,945	8,331	8,000	15,270
Total Inventory Quantity (Dths)		46,972	58,938	71,676	82,309	82,309	67,959	48,294	32,144	20,000	33,945	42,276	50,276	
Total Inventory (\$)		\$424,830	\$520,854	\$616,691	\$694,414	\$694,414	\$571,278	\$405,970	\$270,209	\$168,124	\$263,536	\$314,360	\$347,000	
<b>Gas Program Monthly Expenses (from Financial Reports)</b>														
Cost of Energy Used <sup>(3)</sup>		\$ 529,250	\$ 464,139	\$ 439,964	\$ 460,509	\$ 579,235	\$ 910,085	\$ 868,570	\$ 679,248	\$ 684,311	\$ 365,423	\$ 358,827	\$ 457,736	\$ 6,797,296
Program Operating Expenses <sup>(4)</sup>		20,299	28,516	27,161	29,466	19,637	29,940	19,877	27,614	31,426	40,405	28,272	25,549	328,160
Subtotal		\$ 549,548	\$ 492,655	\$ 467,125	\$ 489,975	\$ 598,872	\$ 940,024	\$ 888,446	\$ 706,862	\$ 715,738	\$ 405,828	\$ 387,099	\$ 483,285	\$ 7,125,456
Rate (\$/Dth)		\$10.07	\$9.03	\$8.58	\$7.27	\$7.77	\$8.49	\$8.02	\$7.43	\$7.78	\$5.44	\$6.04	\$8.55	\$7.81
PG&E Pass-through costs <sup>(5)</sup>		122,274	139,604	81,317	146,291	144,044	297,992	300,910	300,758	216,600	250,138	149,570	159,098	2,308,596
Total ABAG POWER Cost		\$ 671,822	\$ 632,259	\$ 548,442	\$ 636,265	\$ 742,916	\$ 1,238,016	\$ 1,189,356	\$ 1,007,620	\$ 932,337	\$ 655,966	\$ 536,669	\$ 642,382	\$ 9,434,053
<b>Actual (metered) Gas Usage</b>														
Core <sup>(6)</sup>		43,666	41,708	41,542	54,783	67,333	99,574	99,042	85,641	81,773	63,918	52,537	45,602	777,117
Non Core		10,908	12,845	12,907	12,600	9,712	11,149	11,764	9,460	10,249	10,723	11,517	10,902	134,734
Total Program Usage		54,574	54,552	54,449	67,383	77,044	110,723	110,807	95,101	92,022	74,640	64,054	56,504	911,852
ABAG POWER Total Core Rate		\$ 12.87	\$ 12.38	\$ 10.54	\$ 9.94	\$ 9.91	\$ 11.48	\$ 11.06	\$ 10.94	\$ 10.43	\$ 9.35	\$ 8.89	\$ 12.04	
<b>PG&amp;E Rate<sup>(7)</sup></b>														
Procurement Charge <sup>(8)</sup>		14.80	12.45	9.05	7.79	7.18	5.92	7.03	6.54	5.32	4.68	3.71	4.78	
Transportation/Other Charge <sup>(9)</sup>		2.80	3.35	1.96	2.67	2.14	2.99	3.04	3.51	2.65	3.91	2.85	3.49	
Total PG&E Rate		\$ 17.60	\$ 15.80	\$ 11.01	\$ 10.46	\$ 9.32	\$ 8.91	\$ 10.07	\$ 10.05	\$ 7.97	\$ 8.59	\$ 6.56	\$ 8.27	
Monthly Rate Difference (\$/Dth)		(4.73)	(3.42)	(0.47)	(0.51)	0.59	2.57	0.99	0.89	2.46	0.76	2.33	3.78	
Monthly Savings (\$)		206,638	142,710	19,726	28,156	(40,009)	(256,053)	(97,982)	(76,318)	(200,983)	(48,630)	(122,497)	(172,167)	
Cumulative Savings (\$)		206,638	349,348	369,074	397,231	357,222	101,169	3,187	(73,131)	(274,114)	(322,744)	(445,240)	(617,408)	
Cumulative Savings (%)		26.9%	24.5%	19.6%	16.2%	11.6%	2.5%	0.1%	-1.3%	-4.2%	-4.6%	-6.0%	-8.0%	

ABAG POWER Natural Gas Program

FY 2008-09 Monthly Summary of Operations

		Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
<u>Storage Gas Accounting</u>														
Beginning Quantity		35,006												
Average Price		\$8.75												
Beginning of Month	Qty	35,006	46,972	58,938	71,676	82,309	82,309	67,959	48,294	32,144	20,000	33,945	42,276	
Injections	Qty	12,121	12,121	11,730	7,455	0	0	0	0	0	5,214	1,049	0	
	Storage Shrinkage Qty	-155	-155	-150	-101						-69	-14	0	
	Price	\$9.91	\$8.02	\$7.47	\$7.24	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$6.03	\$6.63	\$0.00	
Imbalance Trades	Qty			1,158	3,279		2,150				8,800	7,296	8,000	
	Price			\$8.03	\$7.47		\$7.47				\$7.32	\$6.03	\$4.08	
Withdrawals	Qty	0	0	0	0	0	16,500	19,665	16,150	12,144	0	0	0	
	Price	\$8.75	\$9.04	\$8.84	\$8.60	\$8.44	\$8.44	\$8.41	\$8.41	\$8.41	\$8.41	\$7.76	\$7.44	
End of Month	Qty	46,972	58,938	71,676	82,309	82,309	67,959	48,294	32,144	20,000	33,945	42,276	50,276	
	Avg. Pric	\$9.04	\$8.84	\$8.60	\$8.44	\$8.44	\$8.41	\$8.41	\$8.41	\$8.41	\$7.76	\$7.44	\$6.90	
End of Month Inventory		\$424,830.27	\$520,854.15	\$616,690.54	\$694,413.97	\$694,413.97	\$571,278.00	\$405,969.77	\$270,209.39	\$168,124.31	\$263,535.61	\$314,359.87	\$346,999.87	
Monthly Index Postings														
	NGI Bidweek for PG&E Citygate	\$12.57	\$8.69	\$7.73	\$6.45	\$6.06	\$6.42	\$6.00	\$4.77	\$4.19	\$3.99	\$3.22	\$3.40	
	Gas Daily Avg. for PG&E Citygate	\$10.75	\$8.06	\$6.73	\$6.36	\$6.15	\$6.12	\$5.35	\$4.56	\$3.96	\$3.44	\$3.68	\$3.18	
	NGI Bidweek for Malin	\$12.15	\$8.26	\$7.15	\$6.24	\$5.80	\$6.19	\$5.67	\$4.52	\$3.82	\$3.59	\$2.85	\$2.98	

Notes:

- (1) All gas quantities in Dth and rates in \$/Dth.
- (2) WACOG at PG&E Citygate
- (3) Includes costs to transport gas to PG&E Citygate from alternate delivery points, as well as physical storage costs.
- (4) Includes scheduling fees, billing fees, administrative costs and misc. expenses; less interest income.
- (5) Actual cost of PG&E charges billed to customer via EDI process. These costs do not necessarily tie directly to the actual gas usage shown above due to timing difference in reporting.
- (6) From billing data
- (7) Based on PG&E's G-NR1 rate schedule.
- (8) Includes: Procurement Charge, Capacity Charge, Brokerage Fee, Shrinkage, and Storage.
- (9) PG&E Transportation Charge; Customer Charge, and surcharge for Public Purpose Programs. Does not include Franchise Fees and City Taxes.

# MEMORANDUM

ASSOCIATION OF BAY AREA GOVERNMENTS Agenda Item #7A  
Representing City and County Governments of the San Francisco Bay Area



DT: October 22, 2009

TO: ABAG POWER Executive Committee

FM: Gerald L. Lahr, ABAG POWER Program Manager

RE: **Energy Data Pilot Project Status Report**

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At the October 2008 meeting of the ABAG POWER Board of Directors, the Board passed a motion that allocated up to \$50,000 for the implementation of an energy data pilot project. This project was intended to test the viability of an upgrade to ABAG POWER's billing system and processes that would allow for increased management and analysis of energy use and cost data. The project was described as follows:

Energy Data System Upgrade. Expand ABAG POWER's current energy data management and Electronic Data Interchange (EDI) systems to include the receipt of PG&E electric billing data for members. This would allow potential benefits that include:

- Accurate tracking and reporting of complete energy data (i.e. both gas and electric) for member accounts.
- Benchmarking and comparing facility usage and trends that can help target efficiency efforts.
- Improved forecasting and budgeting energy costs.
- Access to both electric and gas bills and analysis reports through the internet.

Subsequent to the Board meeting, the pilot project was initiated in early 2009 using the City of Milpitas as the test agency. While project implementation has proceeded steadily, it has taken longer than expected, and has not yet reached a point at which the program can be sufficiently evaluated for a go/no-go recommendation for expansion to other agencies.

To date, ABAG POWER had expended approximately \$9,300 implementing the pilot project, with approximately \$10,000 of work remaining. It is expected that the remaining project implementation work, including software upgrades, will be completed by the end of October, after which ABAG staff and the City of Milpitas will need approximately three months before being in a position to provide a recommendation regarding expansion of the project.

ABAG POWER staff had initially recommended utilizing funds received from the natural gas litigation settlements to fund both the pilot project and any potential expansion. However, after

# MEMORANDUM

## ASSOCIATION OF BAY AREA GOVERNMENTS Agenda Item #7A

Representing City and County Governments of the San Francisco Bay Area

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further consultations with the Executive Committee, it was decided to proceed with the initial portion of the project based on the authorization provided at last year's Board meeting, and return all gas litigation proceeds to members. If an expansion of the project is warranted after an evaluation of the pilot project, staff will consult with the Executive Committee for additional funding authorizations and sources. It is likely that an expansion of the project would require individual members to opt in, and pay a proportionate share of the costs.

/vm

Attachment: Energy Data Program - Expanded Program Cost Estimate

cc: Henry Gardner, President, ABAG POWER  
Herbert Pike, Finance Director, ABAG  
Kenneth Moy, Legal Counsel, ABAG

# MEMORANDUM

ASSOCIATION OF BAY AREA GOVERNMENTS Agenda Item #7A  
Representing City and County Governments of the San Francisco Bay Area

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## Energy Data Program – Expanded Program Cost Estimate

### A. Pilot Project

Original Pilot Project Implementation:	\$12,800
Pilot Project EDI transmission costs:	\$1,500
Access program software upgrade:	<u>\$4,800</u>
Subtotal:	\$19,100

### B. Additional Upgrades

Utility Manager (UM) software upgrade:	\$22,000
Software Tech Support (one yr):	\$3,600
Training:	<u>\$1,250</u>
Subtotal:	\$26,850

Total A & B: \$45,950

### Project Expansion

Database Setup (per agency):	\$4,500 (varies depending on agency size)
EDI Setup (per agency):	\$500
Monthly UM Online Hosting	\$1.50/acct
Monthly EDI Transmission:	\$0.75/acct

Additional ABAG Labor ~ 1/2 FTE

# MEMORANDUM

ASSOCIATION OF BAY AREA GOVERNMENTS Agenda Item #8A  
Representing City and County Governments of the San Francisco Bay Area



DT: October 14, 2009

TO: ABAG POWER Executive Committee

FM: Gerald L. Lahr, ABAG POWER Program Manager  
Kenneth Moy, Legal Counsel

RE: **Natural Gas Litigation Status and Settlement Distribution**

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In 2004 ABAG POWER filed a lawsuit against several natural gas suppliers for price manipulation. The complaint stated that the natural gas companies conspired to artificially inflate and fix the retail price of natural gas in violation of California antitrust and unfair competition laws. ABAG POWER retained the law firm of Cotchett, Pitre, & McCarthy to represent it in this matter under an agreement in which the firm would be compensated from any monetary proceeds that resulted from the litigation.

Early in the process ABAG POWER's complaint was joined with several other similar lawsuits, and the litigation proceeded for the next five years, through the often tortuous process of filings, motions, discovery, depositions, etc.

In the spring of 2008, when settlements with defendants seemed likely, an allocation methodology was developed that prorated any potential proceeds and litigation costs to both current gas program members and members that had previously opted out of the program, based on each agency's natural gas usage during the period when price manipulation occurred<sup>1</sup>.

Over the past year ABAG POWER reached settlements with several defendants resulting in net proceeds of \$557,301. The final settlement payment was received in August, bringing the litigation to a conclusion, and ABAG POWER has since made allocation payments to all opt-out members.

At the 2008 annual meeting the Board approved the allocation formula and discussed possible uses of the litigation proceeds. The Board ultimately decided that, with the exception of funds allocated to opt-out members, all funds would be retained until additional information could be evaluated. With the conclusion of the litigation, all relevant information has now been provided to the Board.

The Executive Committee recommends returning all proceeds to members as soon as practical. Therefore staff intends to issue settlement checks to members in early November.

Attachment: Allocation Schedule

cc: Henry Gardner, President, ABAG POWER  
Herbert Pike, Finance Director, ABAG

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<sup>1</sup> June 2000 – December 2002.

## Agenda Item #8B

### Gas Litigation Proceeds Allocation

Total Litigation Settlements	\$ 557,301.67
Interest from Cotchett firm	1,180.39
Interest from ABAG - thru 7/31/09	<u>7,625.32</u>
Allocation Amount (Current & Opt-out)	\$ 566,107.38
Distribution to Opt-outs (8/09)	<u>\$ (53,861.41)</u>
Allocation to Current Members	\$ 512,245.97
Additional Interest	<u>\$ 1,187.57</u>
Total Distribution to Current Members	<b>\$ 513,433.54</b>

<u>Current Members</u>	<u>Total Usage Jun</u> <u>'00 - Dec '02*</u>	<u>% Usage</u>	<u>Litigation</u> <u>Proceeds</u> <u>Allocation</u>
Alameda, City	357,225	1.99%	\$ 10,193.96
Albany, City	58,488	0.33%	1,669.04
Atherton, Town	14,975	0.08%	427.33
Benicia, City	224,002	1.24%	6,392.24
Contra Costa County	4,378,993	24.34%	124,961.19
Cupertino, City	148,205	0.82%	4,229.25
Eastside Union H.S. District	80,100	0.45%	2,285.77
Fremont, City	585,431	3.25%	16,706.16
Golden Gate Bridge	195,016	1.08%	5,565.08
Gonzales, City	24,430	0.14%	697.15
Half Moon Bay, City	8,870	0.05%	253.12
Hercules, City	88,256	0.49%	2,518.52
Los Altos, City	102,520	0.57%	2,925.56
Mill Valley, City	158,941	0.88%	4,535.62
Millbrae, City	67,576	0.38%	1,928.38
Milpitas, City	240,252	1.34%	6,855.95
Monte-Sereno, City	2,261	0.01%	64.52
Moraga, Town	24,245	0.13%	691.87
Napa County001	5,801	0.03%	165.54
Napa County002	49,928	0.28%	1,424.77
Napa County003	32,753	0.18%	934.66
Napa County004	21,801	0.12%	622.12
Napa County005	317,711	1.77%	9,066.36
Oakland, City	2,419,375	13.45%	69,040.53
Oakland Zoological	35,150	0.20%	1,003.06
Orinda, City	17,853	0.10%	509.46
Pacifica, City	85,942	0.48%	2,452.49
Petaluma, City	66,012	0.37%	1,883.75
Pleasanton, City	386,851	2.15%	11,039.38
Regional Admin. Facility	91,590	0.51%	2,613.66
Richmond, City	403,908	2.24%	11,526.13
Salinas, City	573,725	3.19%	16,372.11
San Carlos, City	162,568	0.90%	4,639.12
San Mateo County SANACPC006	1,311,673	7.29%	37,430.57
San Mateo County SANACPC007	522,263	2.90%	14,903.56
San Mateo County SANACPC008	7,055	0.04%	201.33

## Agenda Item #8B

### Gas Litigation Proceeds Allocation

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Additional Interest	<u>\$ 1,187.57</u>
Total Distribution to Current Members	<b>\$ 513,433.54</b>

	Total Usage Jun '00 - Dec '02*	% Usage	Litigation Proceeds Allocation
San Mateo County SANACPC009	5,858	0.03%	167.17
San Mateo County SANACPC011	2,041	0.01%	58.24
San Rafael, City	109,188	0.61%	3,115.84
Santa Clara County	2,107,458	11.71%	60,139.50
Santa Rosa, City	670,388	3.73%	19,130.54
Saratoga, City	37,064	0.21%	1,057.68
Union City	59,603	0.33%	1,700.86
Vallejo, City	1,458,664	8.11%	41,625.18
Vallejo Sani.& Flood Control Dist	48,871	0.27%	1,394.61
Watsonville, City	210,859	1.17%	6,017.18
Winters, City	<u>10,422</u>	<u>0.06%</u>	<u>297.41</u>
Total Current Members	<u>17,992,161</u>	<u>100.00%</u>	<u>\$ 513,433.54</u>

\* Usage for period Jun 2000 - Jun 2002 taken from the worksheet used to calculate the true-up in October 2002. Usage for period Jul 2002 - Dec 2002 taken from the 2002-03 true-up worksheet.



**M E M O**

DATE: October 21, 2009  
TO: Board of Directors, ABAG POWER  
FROM: Herbert L. Pike, Chief Financial Officer  
RE: **Preliminary Financial Reports – June 2009**

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We are happy to present the preliminary financial reports for the fiscal year ending June 30, 2009. Highlights of these reports can be summarized as follows:

**Electricity Pool**

As of June 30, 2009, the Electricity Pool has \$395.08 cash on hand, all of which resided in the local bank account. However, in anticipation of receipt of settlement proceeds, there is \$1.25 million reflected in escrow deposits and an offsetting \$1.25 million in deposits. The funds have since been received and deposited in a LAIF account. Following the Board of Directors Meeting on October 29, the settlement proceeds will be distributed and the Electricity Pool closed.

**Natural Gas Pool**

As of June 30, 2009, the Natural Gas Pool has about \$6.16 million in total assets, including the \$3.3 million investment in LAIF. In FY 08-09, natural gas billings amounted to \$12.4 million, while total expenses were \$9.4 million (including offsetting interest income). The excess of revenues over expenses in the amount of roughly \$3.0 million was recorded as unearned revenues and will be returned to members as true-up adjustments in billings during FY 09-10.

During the course of the fiscal year, additional gas litigation settlements were realized increasing the total payable to power pool clients to \$554,210. This is approximately \$335 thousand greater than the beginning of last year. The final settlement proceeds of \$11,419 were collected in August 2009 and the total payable was increased to \$565,629.

The balance of working capital, a refundable deposit from members, amounted to \$2.0 million as of June 30, 2009. This \$2.0 million reflects an increase in working capital of \$300,000 from the previous year authorized by the Executive Committee. The interest income earned in a year resulting from holding working capital is included as part of the true-up adjustment in the following year. The balance of working capital at the end of the year is deemed adequate and additional deposits are not required in the near future.

All revenue and expense categories are within expectations and reasonable with respect to budget for FY 08-09, given the downward trend in natural gas prices over the last twelve months and resolution of long standing litigation. Our auditors are in the process of auditing these financial statements. We expect the audited financial report will be available in December.

**BALANCE SHEET**

**ABAG POWER POOL**  
**Period: JUN-09**

	<i>Total</i> -----	<i>Natural Gas</i> -----	<i>Electricity</i> -----
<b>ASSETS</b>			
CASH IN BANK	2,431,727.47	2,431,332.39	395.08
LOCAL AGENCY INVEST. FUND	3,275,387.62	3,275,387.62	0.00
ACCOUNTS RECEIVABLE	3,051.44	3,051.44	0.00
ACCT. REC. POWER POOL SALES	58,123.51	58,123.51	0.00
PX ESCROW DEPOSITS	1,250,000.00	0.00	1,250,000.00
ACCR. INT. REC. LAIF	12,310.50	12,310.50	0.00
CAPITALIZED SOFTWARE	28,442.32	28,442.32	0.00
NATURAL GAS INVENTORY	346,947.19	346,947.19	0.00
	-----	-----	-----
<b>TOTAL ASSETS</b>	<u>7,405,990.05</u>	<u>6,155,594.97</u>	<u>1,250,395.08</u>
<b>LIABILITIES</b>			
ACCOUNTS PAYABLE	573,532.76	568,203.06	5,329.70
PAYABLE TO POWER POOL CLIENTS	554,209.92	554,209.92	0.00
PAYABLE TO MEMBERS--CTC REVERSAL	(4,934.62)	0.00	(4,934.62)
UNEARNED ENERGY REVENUES	3,012,744.97	3,012,744.97	0.00
WORKING CAPITAL CLIENT DEPOSITS	2,020,437.02	2,020,437.02	0.00
PX AND ISO CLIENT DEPOSITS	1,250,000.00	0.00	1,250,000.00
<b>TOTAL LIABILITIES</b>	<u>7,405,990.05</u>	<u>6,155,594.97</u>	<u>1,250,395.08</u>
<b>FUND EQUITY</b>			
GENERAL EQUITY			
CURRENT YEAR SURPLUS/(DEFICIT)	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<b>TOTAL GENERAL EQUITY</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<b>TOTAL FUND EQUITY</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<u>7,405,990.05</u>	<u>6,155,594.97</u>	<u>1,250,395.08</u>

# INCOME STATEMENT

ABAG Power Pool - Electricity  
 Period: JUN-09 Currency: USD

Agenda Item #9B.2

	<i>FY Budget</i>	<i>Actual Current Month</i>	<i>Actual Year-to-date</i>	<i>% of Budget</i>	<i>Budget Balance</i>
<b>REVENUES</b>					
INTEREST INCOME	0.00	0.00	31.92	n/m	(31.92)
<b>TOTAL REVENUES</b>	<u>0.00</u>	<u>0.00</u>	<u>31.92</u>	n/m	<u>(31.92)</u>
<b>EXPENSES</b>					
<b>CONSULTANT SERVICES</b>					
ABAG FEES	6,735.00	2,313.38	8,599.02	127.68 %	(1,864.02)
<b>TOTAL CONSULTANT SERVICES</b>	<u>6,735.00</u>	<u>2,313.38</u>	<u>8,599.02</u>	127.68 %	<u>(1,864.02)</u>
<b>OTHER DIRECT CHARGES</b>					
INTEREST EXPENSE/BANK CHARGES	0.00	0.00	1,531.18	n/m	(1,531.18)
TRANSFER TO MEMBERS BALANCE ACCT	(6,735.00)	(2,313.38)	(10,098.28)	149.94 %	3,363.28
<b>TOTAL OTHER DIRECT CHARGES</b>	<u>(6,735.00)</u>	<u>(2,313.38)</u>	<u>(8,567.10)</u>	127.20 %	<u>1,832.10</u>
<b>TOTAL EXPENSES</b>	<u>0.00</u>	<u>0.00</u>	<u>31.92</u>	n/m	<u>(31.92)</u>
<b>SURPLUS/(DEFICIT)</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	n/m	<u>0.00</u>

# INCOME STATEMENT

ABAG Power Pool - Natural Gas  
Period: JUN-09 Currency: USD

Agenda Item#9B.3

	<i>FY Budget</i>	<i>Actual Current Month</i>	<i>Actual Year-to-date</i>	<i>% of Budget</i>	<i>Budget Balance</i>
<b>REVENUES</b>					
SALE OF ENERGY	13,928,210.00	(2,102,386.76)	9,434,052.65	67.73%	4,494,157.35
INTEREST INCOME	60,000.00	3,377.74	63,659.61	106.10%	(3,659.61)
<b>TOTAL REVENUES</b>	<u>13,988,210.00</u>	<u>(2,099,009.02)</u>	<u>9,497,712.26</u>	<u>67.90%</u>	<u>4,490,497.74</u>
<b>EXPENSES</b>					
<b>COST OF ENERGY</b>					
COST OF ENERGY USED	10,721,062.00	457,736.07	6,797,296.16	63.40 %	3,923,765.84
PG&E PASSTHROUGH	2,866,173.00	159,097.65	2,308,596.47	80.55 %	557,576.53
<b>TOTAL COST OF ENERGY</b>	<u>13,587,235.00</u>	<u>616,833.72</u>	<u>9,105,892.63</u>	<u>67.02 %</u>	<u>4,481,342.37</u>
<b>CONSULTANT SERVICES</b>					
LEGAL CONSULTANTS	5,000.00	0.00	0.00	0.00 %	5,000.00
BILLING AGENT FEES	9,500.00	553.82	(3,525.58)	37.11%	13,025.58
SCHEDULING AGENT FEES	36,750.00	3,000.00	36,750.00	100.00 %	0.00
ABAG FEES	334,505.00	22,779.00	333,949.80	99.83 %	555.20
<b>TOTAL CONSULTANT SERVICES</b>	<u>385,755.00</u>	<u>26,332.82</u>	<u>367,174.22</u>	<u>95.18 %</u>	<u>18,580.78</u>
<b>OTHER DIRECT CHARGES</b>					
INTEREST EXPENSE/BANK CHARGES	1,000.00	1,408.44	10,424.21	1042.42 %	(9,424.21)
AMORTIZED SOFTWARE COSTS	14,220.00	1,185.10	14,221.20	100.01 %	(1.20)
<b>TOTAL OTHER DIRECT CHARGES</b>	<u>15,220.00</u>	<u>2,593.54</u>	<u>24,645.41</u>	<u>161.93 %</u>	<u>(9,425.41)</u>
<b>TOTAL EXPENSES</b>	<u>13,988,210.00</u>	<u>645,760.08</u>	<u>9,497,712.26</u>	<u>67.90 %</u>	<u>4,490,497.74</u>
<b>SURPLUS/(DEFICIT)</b>	<u>0.00</u>	<u>(2,744,769.10)</u>	<u>0.00</u>	n/m	<u>0.00</u>