



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

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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.