



# SUMMARY MINUTES

**ABAG Power Executive Committee  
Meeting 2004-05**  
December 15, 2004  
Metro Center, 101 8<sup>th</sup> Street, Oakland, CA 94607

## WELCOME AND INTRODUCTIONS

Chairman Richard Averett opened the meeting with introductions at 12:04 p.m.

### Committee Representatives & Alternates Present

Mark Akaba  
Mark Armstrong  
Richard Averett, Chair  
Steve Sprotte, Vice-Chair  
Jennifer Mennucci

### Jurisdictions

City of Vallejo  
City of Santa Rosa  
City of San Carlos  
City of Union City  
Golden Gate Bridge District

### Committee Representatives Absent

Ed Buonaccorsi  
Terry Mann

City of Santa Rosa  
County of Contra Costa

### Staff Present

Cheryl Adsit  
Joe Chan  
Henry Gardner  
Ken Moy  
Jerry Lahr

ABAG  
ABAG  
ABAG  
ABAG  
ABAG POWER

## PUBLIC COMMENTS/ANNOUNCEMENTS

There were no public comments.

## APPROVAL OF SUMMARY MINUTES OF AUGUST 18, 2004 MEETING

Jerry Lahr requested the following revision to the minutes, as follows:

Page 3, Revisions to ABAG POWER Bylaws, First bullet should read:

“The Executive Committee to be comprised of the Chair, Vice-Chair and between 3–9 members.....”

Motion was made by Akaba/S/Mennucci/C/5:0:0 to approve the revised Summary Minutes of August 18, 2004 Executive Committee Meeting.

**REPORT ON NATURAL GAS PROGRAM****Monthly Summary of Operations FY 2003-04**

Jerry Lahr provided the members with the monthly Summary of Operations report for the Natural Gas Program. He said he had recently received the metered usage for the month of September, 2004 which if added to the table, ABAG POWER's total rate compares very favorably with PG&E's.

Lahr said that natural gas prices were skyrocketing at the end of October, 2004 which affected purchases for November.

ABAG POWER had entered the official winter months and is no longer injecting into storage but has begun withdrawing from storage.

**Addition of Non-Core Accounts to the Program**

Lahr reported that the Cities of Watsonville and Santa Rosa had added Non-Core Cogen accounts to the program. Watsonville's account was added in August, 2004 and Santa Rosa's will be added in January, 2005.

**Natural Gas Core Aggregation Agreement**

Lahr provided an update on the core gas agreements which are in the process of execution by the members of ABAG POWER. He provided some background information on how it was determined that 400,000 decatherms was the committed load in order for the gas program to continue its operation.

Motion was made by Sprotte/S/Akaba/C/5:0:0 -

- To affirm the number of decatherms at a 400,000 limit as a threshold level in order for the program to continue;
- The two non-core gas accounts to be included in the 400,000 threshold limit.

Lahr reported that with the inclusion of the two non-core gas accounts, the program had already reached the 400,000 decatherm threshold level, thereby validating the continuation of the Natural Gas Program.

Lahr brought the members' attention to the current natural gas agreement's cancellation policy. If members' wished to opt out of the natural gas program, they had until June 1, 2005. Based upon the current agreement, if they didn't opt out of the program, they would be automatically extended for an additional three-year term. If ABAG POWER wished to cancel, they would have to cancel 90 days in advance of June 30<sup>th</sup>, by April 1, 2005.

**Request for Proposals for Natural Gas Billing Agent**

Lahr mentioned that the current Natural Gas Billing Agent contract will terminate on June 30, 2005. He provided the members with information on the current services and costs of the billing agent. There was a general discussion about the different types of billings available, the level and quality of services required for the program and the costs involved.



The Committee agreed to change the percentages on RFP at VI. Proposal Evaluation and Selection Criteria, as follows:

- A. Price and Fee Structure (40 points) instead of 50 points.
- B. Experience of Members of Firm (30 points) instead of 20 points.

Chairman Averett requested that on the RFP, consideration be given to more trending requirements, more history information, visual snapshots as opposed to just numbers and usage information as well as seasonal comparisons to past years on future invoices.

### **FINANCIAL REPORTS**

Joseph Chan provided the members with an audited financial report for the year ended June 30, 2004.

Motion was made by Sprotte/S/Armstrong/C/5:0:0 to approve the audited financial reports as presented.

### **REVISED ABAG POWER OPERATING BUDGET**

Lahr provided the members with a revised ABAG POWER Operating Budget as well as a table of Gas Charges. He said the budget was being revised mainly because the amount of gas which was not purchased at the fixed rate had gone up significantly in price.

Motion was made by Akaba/S/Sprotte/C/5:0:0 -

- To revise the ABAG POWER Operating Budget as presented;
- To adjust the levelized payments as a reflection of the revised budget, to be effective January 1, 2005 to June, 2005;
- To revise the Budget again in June, 2005.

### **LOCAL GOVERNMENT ENERGY PARTNERSHIP**

Lahr provided an update of the LGEP Program. He said the program had now completed a total of twenty-three enrollments and was effectively on its way to meeting its enrollment goals. The program would expire in March, 2006.

Member Steve Sprotte exited the meeting at this point.

### **2005 EXECUTIVE COMMITTEE MEETING SCHEDULE**

Motion was made by Mennucci/S/Akaba/C/4:0:0 to approve the 2005 Meeting Schedule as presented.



---

**CLOSED SESSION**

Conference with Legal Counsel – Existing Litigation [Govt. C. Sec. 54956.9(a)]  
No action was taken in closed session.

**ADJOURNMENT**

Chairman Averett adjourned the meeting at 1:35 p.m.

/vm

(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 = abstentions.