



SUMMARY MINUTES

ABAG Power Executive Committee

Meeting 99-12

December 15, 1999

Metro Center 101 8th Street, Oakland CA 94607

WELCOME AND INTRODUCTIONS

Ken Blackman opened the meeting with introductions at 12:12 p.m.:

Committee Representatives Present

Ken Blackman
Kathy Brown
Mark Lewis
Michael Garvey
Robert Fugle
Ross Hubbard
John Lisenko

Jurisdictions

City of Santa Rosa
County of Contra Costa
City of Union City
City of San Carlos
Golden Gate Bridge District
Town of Moraga
City of Foster City

Committee Representatives Absent

Wayne Green
Alan Nadritch

Jurisdictions

City of Salinas
City of Benicia

Staff Present

Dave Finigan
Christine Cleary
Joseph Chan
Ken Moy
Kathy Mendoza

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PUBLIC COMMENT

There was no public comment.

APPROVAL OF MINUTES

Motion was made by Blackman/S/Fugle/C/ to approve the October 20, 1999 minutes.

STATUS REPORT ON THE ELECTRIC PROGRAM

Dave Finigan reviewed the energy purchase for December. Staff made arrangements to purchase electric power for the program through PG&E Energy Services for December 1999 at the PX rate. Due to market conditions at this time, we were unable to secure any discount to this rate. As of December 1,



1999, five agencies decided to withdraw from the electric program. These members were the Counties of Santa Cruz, Humboldt, and Alameda and the Cities of Sebastopol and San Leandro. Alameda County and San Leandro were the only agencies of these five to have installed CellNet meters for their large meters. San Leandro has agreed to reassess their withdrawal and we are having additional discussions with the County of Alameda. The loss of these five agencies will result in a reduction of 735 meter accounts for the electric program. The program currently has 6,000 meter accounts. It is anticipated that new members to the electric program will make up for this loss within six months.

STATUS REPORT ON THE NATURAL GAS PROGRAM

Dave Finigan reviewed the December natural gas purchase. ABAG POWER extended its agreement for an additional year to June 30, 2000 with Enserch, now TXU, to supply natural gas for our program. Since gas market conditions were high at the time, we agreed to use the NGI Index at PG&E Citygate bidweek average minus \$0.1455/Dth in lieu of a fixed price. The non-core price is PG&E's G-CSP posted price less \$0.17/Dth. It was the mutual intention of ABAG and TXU to change a portion of the program's natural gas volume to a fixed price when market conditions were more favorable. ABAG POWER staff has also been working with I.Q. Solutions, our billing agent, and TXU on finalization of their contracts for the year 2000 and coordination of their responsibilities under the Natural Gas Program. We are also working with member agencies to complete their approval of the First Amendment to the Natural Gas Sales and Aggregation Agreement.

APPROVAL OF REVISED FINANCIAL REPORTS JUNE 30, 1999

Joe Chan, ABAG's Chief Financial Officer, reviewed ABAG POWER's Revised Financial Report for the fiscal year ending June 30, 1999. One audit adjustment was made to the June 30, 1999 Electricity Pool financial reports. The PX and ISO Deposits were increased by roughly \$66,000 to recognize interest earned on these deposits. This adjustment increased the net surplus for FY 98-99 by the same amount. Motion was made by Blackman/S/Lewis/C/ to accept the Revised Financial Reports for fiscal year ending June 30, 1999.

APPROVAL OF FINANCIAL REPORTS –AUGUST, 1999

Joe Chan reviewed ABAG POWER's Financial Report as of August 31, 1999. Motion was made by Fugle/S/Lewis/C/ to accept the Financial Reports for August, 1999.

STATUS REPORT ON RENEWABLE ENERGY PROGRAM

Dave Finigan reviewed the progress on the Renewable Energy Program. Staff submitted its first Monthly Performance Report to the State Energy Commission for the Renewable Customer Credit Subaccount Program in November 1999. This report indicates the source and use of renewable energy by the program for a specified month. It provides for the payment by the State Energy Commission of the credit, or rebate, to ABAG POWER of 1.50 cents per kilowatt-hour of renewable energy used during a one-month period. The total amount of this rebate is planned for distribution to members on an equalized basis based upon total electric load. It is tentatively planned to mail a check for this rebate to each member twice a year. The first mailing is scheduled for February 2000. The check will also include accumulated interest. Motion was made by Lewis /S/Fugle/C/ to approve the renewable energy rebate be distributed on an equalized basis and by check to each of the members twice a year.



NEW MEMBERSHIP ACTIVITIES

Dave Finigan reviewed new membership activities for both the electric and natural gas pools. South San Francisco, Oakland Base Reuse Authority, Berkeley, Sunnyvale, Hayward and Mountain View have all expressed interest in joining the electric pool. South San Francisco and Contra Costa County Waste Authority are also interested in joining the gas pool. Golden Gate Bridge District is already a member of the electric pool and is expected to become a member of the gas pool very soon.

RECRUITMENT OF ABAG POWER MANAGER

Dave Finigan reported that recruitment of a new manager for the ABAG POWER Program should start after the first of the year.

APPROVAL OF EXECUTIVE COMMITTEE MEETING SCHEDULE

Motion was made by Blackman/S/Hubbard/C/ to approve the meeting schedule of the Executive Committee for the next six months, January through June 2000.

ADJOURN

1:38 p.m.