



SUMMARY MINUTES

ABAG POWER Annual Board of Directors' Meeting 2007

October 17, 2007

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 and constituting a quorum were as follows:

Jurisdictions Represented

City of Alameda
 City of Benicia
 City of Cupertino
 City of El Cerrito
 City of Fremont
 City of Half Moon Bay
 City of Hercules
 City of Millbrae
 City of Milpitas
 City of Pacifica
 City of Pleasanton
 City of Richmond
 City of San Mateo
 City of Santa Rosa
 City of Saratoga
 City of Union City
 City of Vallejo
 City of Watsonville
 County of Contra Costa
 County of Napa
 County of Santa Clara
 Golden Gate Bridge & Highway District
 H.A.R.D.
 Housing Authority for the County of Alameda
 RAFC

Committee Representatives

Marge McLean
 Robert Sousa
 David Woo
 Bruce King
 Don Dorman
 Paula Krogh
 Raj Pankhania
 Ron Popp
 Chris Schroeder
 Ann Ritzma
 Scott R. Baker
 Ralph Lloyd
 Hossein Golestan
 Ed Buonaccorsi
 Thomas Scott
 Richard Sealana
 John Cerini
 Gabriel Gordo
 Terry Mann
 Martha Burdick/Kimberly Payne
 Lin Ortega/Stephen McNulty
 Jennifer Mennucci
 Karl Zabel
 Tom Makin
 Teri Green

**Other Members/Guests Present**

City of Santa Monica

Energy Solutions

Susan Munves (Speaker)

Bruce Chamberlain (Speaker)

Staff:

Cheryl Adsit

Joseph Chan

Henry L. Gardner

Jerry Lahr

Kenneth Moy

Vina Maharaj

ABAG

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ABAG POWER

ABAG (via teleconference for closed session only)

ABAG POWER

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 2006-07 Executive Committee and the ABAG POWER Staff.

APPROVAL OF SUMMARY MINUTES OF OCTOBER 18, 2006 ANNUAL BOARD MEETING

Motion was made by Popp/S/Mennucci/25:0:0/C/ to approve the Summary Minutes of October 18, 2006 ABAG POWER Annual Board of Directors' meeting.

ELECTION OF ABAG POWER OFFICERS (CHAIR AND VICE CHAIR)

Motion was made by Popp/S/Baker/25:0:0/C/ to elect Ed Buonaccorsi of the City of Santa Rosa as Chairman and John Cerini of the City of Vallejo as Vice-Chairman of the ABAG POWER Executive Committee for program year 2007-08.

CONFIRMATION OF EXECUTIVE COMMITTEE MEMBERS

Motion was made by Schroeder/S/Sousa/25:0:0/C/ to approve the proposed ABAG POWER Executive Committee for program year 2007-2008 as follows:

Scott R. Baker, City of Pleasanton

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



FINANCIAL REVIEW FOR FY 06-07

Joseph Chan presented the preliminary financial reports for fiscal year ending June 30, 2007. Chan said that all revenues and expense categories were within expectations and reasonable with respect to the budget for FY 06-07. Auditors were in the process of auditing the financial statements, which will be available by December, 2007.

STATUS OF ELECTRIC PROGRAM FUNDS

Jerry Lahr provided the members with a background, prior year actions and outstanding issues related to the electric program activities affecting the ISO/PX Escrow funds.

Motion was made by Baker/S/Green/25:0:0 /C/ as follows:

1. To continue monitoring activities through December 31, 2008;
2. Pay for monitoring from \$100k hold-back fund, and
3. Consult Executive Committee should additional funds become necessary.

STAFF REVIEW OF NATURAL GAS PROGRAM AND DISCUSSION OF GAS PURCHASING STRATEGIES

Lahr provided an in-depth report on the operations of the Natural Gas Program for the 2006-07 fiscal year. He also provided a multi-year review of the program, and discussed gas purchasing strategies.

Lahr said that for the past five years the Gas Program has operated with the dual, and often competing goals of *Cost Savings* and *Price Stability*. 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. The Natural Gas Program's net result for the period January 2003 to present is a negative savings of approximately 1%, while the Program has achieved greater price stability than PG&E throughout this period.

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 be looking for opportunities to aid members in all areas of energy management such as the ABAG Energy Watch program that is currently being implemented jointly with PG&E.

ABAG ENERGY WATCH

Lahr provided an overview, information on organizational structure, services provided by Energy Watch and a list of the current participants in the program. Technical services, energy assessment reports, benchmarking, goals and results of the program were discussed.

**NEW PROGRAM OPPORTUNITIES**

The ABAG POWER Executive Committee had expressed significant interest in seeing the ABAG POWER JPA explore new program opportunities in service of its member jurisdictions, therefore a survey was distributed to the ABAG POWER board members inviting their interest in eleven different ideas for new potential programs and services. Lahr said he will get back to the board members with the results of the survey soon thereafter.

GUEST SPEAKER – SUSAN MUNVES OF THE CITY OF SANTA MONICA**Energy Plan/Solar Santa Monica**

Susan Munves gave a presentation on the City of Santa Monica's Community Energy Independence Initiative, which included environmental initiatives in Santa Monica, the foundation of Solar Santa Monica, program design and their eight accomplishments.

GUEST SPEAKER – BRUCE CHAMBERLAIN OF ENERGY SOLUTIONS**Utility Bill Tracking and Analysis**

Bruce Chamberlain gave a presentation on why and how to track utility bills.

GUEST SPEAKER – RAJ PANKHANIA OF THE CITY OF HERCULES**Hercules Municipal Utility Renewable Portfolio Standards**

Raj Pankhania spoke about his experiences with the Hercules Municipal Utility and their efforts with the Renewable Portfolio Standard.

CLOSED SESSION**Conference With Legal Counsel – Existing Litigation [Govt. C. Sec. 54956.9(A)]**

Kenneth Moy was contacted via teleconference who provided an update on the existing gas litigation. At the reconvene of the Annual Board Meeting, it was announced by the Chairman that no action was taken in Closed Session.

ADJOURNMENT

Chairman Buonaccorsi adjourned the meeting at 2:00 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.