



**ABAG POWER Executive Committee Meeting No. 2016-06**  
**December 14, 2016 (12 Noon - 2:00 p.m.)**  
**Association of Bay Area Governments**  
**375 Beale Street, Conference Room 7102 – Tamalpais (7<sup>th</sup> Floor)**  
**San Francisco, CA 94105**

**AGENDA\***

1. **Welcome and Introductions**
2. **Public Comments**
3. **Approve Summary Minutes of Executive Committee Meeting**  
**Action:**  
ATTACHMENT 3A – SUMMARY MINUTES OF AUGUST 24, 2016
4. **Executive Committee Membership & Meeting Schedule**  
**Action:** Chair to appoint new member to the Executive Committee: Melissa Morton, District Manager, Vallejo Sanitation & Flood Control District  
ATTACHMENT 4A – FY 2016-17 EXECUTIVE COMMITTEE  
ATTACHMENT 4B – PROPOSED CY 2017 MEETING SCHEDULE
5. **ABAG/MTC Staff Consolidation**  
Information: Staff will provide an update on the ABAG-MTC staff consolidation, and potential impacts to ABAG POWER.  
ATTACHMENT 5A – AMENDED BYLAWS (OCTOBER 19, 2016)
6. **Report on Natural Gas Program**  
Information: Staff will review recent gas operations, including gas purchases; the program's long-term hedge position; gas imbalances; and other miscellaneous program items. Staff will also provide a comparison of the year-to-date budget and costs.  
ATTACHMENT 6A – MONTHLY SUMMARY OF OPERATIONS FY 2016-17  
ATTACHMENT 6B – GAS HEDGE CHART  
ATTACHMENT 6C – MARKET PRICE CHART  
ATTACHMENT 6D – BUDGET TO ACTUAL GRAPH  
ATTACHMENT 6E – HISTORICAL GAS PRICE COMPARISON
7. **Natural Gas Aggregation Agreement Review**  
Information/**Action:** Staff will review the current automatic extension term of the agreement.  
ATTACHMENT 7A – CORE GAS AGGREGATION AGREEMENT
8. **2015-16 Natural Gas Program True-up**  
Information: Staff will review the 2015-16 true-up calculation.  
ATTACHMENT 8A – GAS TRUE-UP SUMMARY FY 2015-16
10. **Other Business**
10. **Adjournment**

\*The Committee may take action on any item on this agenda



# SUMMARY MINUTES

**ABAG POWER Executive Committee**

**Regular Meeting 2016-04**

**August 24, 2016**

Conference Room 7102 - Tamalpais  
375 Beale Street, San Francisco, CA 94105

## WELCOME AND INTRODUCTIONS

Chair Julie Bueren opened the meeting with introductions at 12:03 PM.

<b><u>Committee Representatives</u></b>	<b><u>Jurisdiction/Agency</u></b>
Chris Schroeder (Vice Chair)	City of Milpitas
Dave Brees	City of Los Altos
Julie Bueren (Chair)	County of Contra Costa
Tonya Gilmore	City of Orinda
Angela Walton	City of Richmond

### **Staff Present**

Jerry Lahr	ABAG POWER
Ryan Jacoby	ABAG POWER
Jenny Berg	ABAG
Ken Moy	ABAG

## PUBLIC COMMENTS & ANNOUNCEMENTS

There were no public comments.



**APPROVAL OF SUMMARY MINUTES OF JUNE 15, 2016.**

Motion was made by Schroeder/S/Gilmore/C/4:0:0 to approve the Summary Minutes of the June 15, 2016 Executive Committee meeting.

The aye votes were: Brees, Bueren, Gilmore, Schroeder.

The nay votes were: None.

Abstentions were: None.

Absentees were: Walton.

**ABAG/MTC MERGER PROPOSAL UPDATE**

Moy informed members of the status of the ABAG/MTC staff consolidation and apparent impacts to ABAG POWER, primarily involving the appointment of officers and transfer of staff, ABAG's treasury functions, and legal services.

Given the upcoming annual board meeting, Moy recommended the ABAG POWER Executive Committee consider asking the ABAG POWER Board of Directors to amend the program's bylaws such that the Board of Directors or the Executive Committee can appoint the program's officers, as well as delegate to the Executive Committee the authority to approve ABAG's use of the Contract for Services.

Motion was made by Schroeder/S/Brees/C/4:0:0 to approve the staff recommendation requesting the Executive Committee ask the ABAG POWER Board of Directors to:

1. Amend Section 8.1 of the ABAG POWER Bylaws so that the Board of Directors or the Executive Committee can appoint the President, Secretary, and Chief Financial Officer/Treasurer, and
2. Explicitly delegate to the Executive Committee the authority to approve ABAG's use of the Contract of Services and related arrangements to meet ABAG's obligation under Section 7 of the JPA.

The aye votes were: Brees, Bueren, Gilmore, Schroeder.

The nay votes were: None.

Abstentions were: None.

Absentees were: Walton.

*Executive Committee member Angela Walton joined the meeting following this vote of action.*



## **REPORT ON NATURAL GAS PROGRAM**

### **Monthly Summary of Operations FY 2015-16**

Lahr provided members with the Monthly Summary of Operations reports for FY15-16; members were updated on the percentage savings comparisons with PG&E. Lahr noted that preliminary financial statements for June, 2016 indicated a cumulative savings figure of -6.1% including the CTA Unrecovered Pipelines Capacity costs. The program's 'Rate Comparisons excluding Pipeline Capacity Costs' calculation displayed a cumulative savings through June, 2016 of -3.6%.

### **Monthly Summary of Operations FY 2016-17**

Committee members were provided information on current gas purchase contracts extending through December, 2016. A savings comparison was not provided because July's financial reports had not been completed.

### **Gas Hedge Chart**

Lahr provided information on the various current long-term gas purchases (contracts which are greater than one month in length).

### **Market Price Chart**

Lahr provided information on gas prices, which had increased significantly during the two months since the June committee meeting.

### **Imbalance Chart**

Lahr detailed ongoing staff efforts to mitigate the impact of the Operating Imbalance adjustment from January, 2016. The adjustment remedied PG&E's inadvertent application of certain metered usage to another Core Procurement group's Operating Imbalance.

## **ANNUAL BOARD MEETING PRELIMINARY AGENDA**

Lahr presented the committee with a preliminary agenda for the upcoming annual board meeting. Discussion among the committee resulted in a reordering of agenda items, a later meeting start time, and the inclusion of a guided tour of ABAG's new office, the Bay Area Metro Center.

## **ENERGY PROGRAMS UPDATE**

Berg and Lahr provided a brief update on the recent achievements of BayREN's Single Family, Multifamily, and Codes and Standards programs, as well as ongoing collaborations with the City of Berkeley, the Bay Area Regional Collaborative, and the California Energy Commission.

## **ADJOURNMENT**

Vice Chairman Chris Schroeder adjourned the meeting at 2:05 PM.

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\*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 = abstention.



## ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area

ABAG POWER Executive Committee				FY 2016-17
Name	Title	Member Agency	Designation	Join Date
Angela Walton	DIMO Administrative Manager	City of Richmond	Member	October 2011
Chris Schroeder	Purchasing Officer	City of Milpitas	Member	October 2007
Dave Brees	Special Projects Manager	City of Los Altos	Member	October 2015
Julie Bueren	Director of Public Works	County of Contra Costa	Chair	October 2012
Melissa Morton	District Manager	Vallejo Sanitation & Flood Control Dist.	Pending	Pending
Mintze Cheng	Director of Public Works	City of Union City	Member	October 2016
Tonya Gilmore	Senior Management Analyst	City of Orinda	Vice-Chair	October 2014

The ABAG POWER Executive Committee oversees all aspects of the administration and operation of the ABAG POWER Joint Powers Authority (JPA), including energy programs that directly affect the member agencies. Currently, this primarily consists of the natural gas aggregation program and our efforts to adapt the program to California's ambitious environmental goals within an ever-changing regulatory landscape. The Executive Committee approves the budget and sets the strategic direction for all program activities.

Executive Committee members can also expect to be involved in discussions regarding Community Choice Aggregation, regional energy efficiency efforts, solar photovoltaic adoption, and opportunities to add value to the program to ensure its viability as an alternative to Pacific Gas & Electric.

ABAG POWER values and encourages active participation from member agencies. For this reason, we invite you to send us an email at [power@abag.ca.gov](mailto:power@abag.ca.gov) if you are interested in learning more about the program or opportunities to join the Executive Committee.

## ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area



Proposed ABAG POWER Meeting Schedule				Calendar Year 2017
Meeting Type	Day	Date	Time	Location
Executive Committee	Wednesday	February 15, 2017	12:00 to 2:00	375 Beale Street San Francisco, CA 94105
Executive Committee	Wednesday	April 19, 2017	12:00 to 2:00	375 Beale Street San Francisco, CA 94105
Executive Committee	Wednesday	June 21, 2017	12:00 to 2:00	375 Beale Street San Francisco, CA 94105
Executive Committee	Wednesday	August 16, 2017	12:00 to 2:00	375 Beale Street San Francisco, CA 94105
Board of Directors	Thursday	October 26, 2017	11:00 to 2:00	375 Beale Street San Francisco, CA 94105
Executive Committee	Wednesday	December 13, 2017	12:00 to 2:00	375 Beale Street San Francisco, CA 94105

**BYLAWS**

**OF**

**ABAG POWER**

**adopted**  
**October 22, 1997**

**amended**  
**November 13, 1997**

**amended**  
**October 17, 2002**

**amended**  
**August 18, 2004**

**amended**  
**October 19, 2016**

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**BYLAWS OF  
ABAG POWER  
As Amended August 18, 2004**

**ARTICLE 1 -- NAME**

The name of this public entity is ABAG Publicly OWned Energy Resources (ABAG POWER)

**ARTICLE 2 -- OFFICES**

**2.1. Principal Office.**

The principal office for the transaction of the business of ABAG POWER is located at 375 Beale Street, San Francisco, County of San Francisco, California. The Board of Directors (Board) may change the principal office from one location to another. Any change of this location will be noted by the Secretary on these Bylaws opposite this section, or this section may be amended to state the new location.

**2.2. Other Offices.**

The Board may at any time establish branch or subordinate offices at any place or places.

**ARTICLE 3 --LIMITATION ON AUTHORITY**

ABAG POWER's exercise of its power under the ABAG POWER Joint Powers Agreement (JPA) and these Bylaws is restricted to the extent required under California Government Code Section 6509. The County of Contra Costa is hereby designated pursuant to said Section 6509. This designation may be changed by a two-thirds (2/3) vote of the Board provided that the designated agency must be a city or county in California.

**ARTICLE 4 -- MEMBER ENTITIES**

In addition to the original contracting parties (as the term is used in California Government Code Section 6502) to the JPA, any other public entity (as defined in California Government Code Section 6500), which becomes a contracting party pursuant to the JPA and these Bylaws, is a Member. Any contracting party which withdraws or is expelled pursuant to these Bylaws ceases to be a Member.

**ARTICLE 5 -- DEBTS AND LIABILITIES**

5.1. The debts, liabilities and obligations of ABAG POWER will not be the debts, liabilities or obligations of any or all of the Members. However, nothing in this section or the JPA :

5.1.1. prevents a Member or Members from agreeing, in a separate agreement, to be jointly and/or severally liable, in whole or in part, for any debt, obligation or liability of ABAG POWER, including but not limited to, any bond or other debt instrument issued by ABAG POWER, or

5.1.2. impairs the ability of any Member to undertake the responsibility described in subsection 5.1.1 of this section.

## ARTICLE 6 -- DIRECTORS

### 6.1. Powers.

6.1.1. General Powers. Subject to the provisions of these Bylaws and the JPA, the business and affairs of ABAG POWER will be managed, and all powers will be exercised, under the policy direction of the Board.

6.1.2. Specific Powers. Without prejudice to these general powers, the Board also has the power to borrow money and incur indebtedness on behalf of ABAG POWER and cause to be executed and delivered for ABAG POWER's purposes, in ABAG POWER's name, promissory notes, bonds, deeds of trust, mortgages, pledges, hypothecations, and other evidences of debt and securities and certificates of participation.

6.1.3. Program Guidelines. The Board also has the power to establish guidelines for the types of Programs to be undertaken by ABAG POWER.

### 6.2. Directors and Alternates.

Each Member will appoint a director, and may appoint an alternate director to the Board. The director and/or the alternate may be an elected official.

**6.3 Voting.** Only directors appointed by a Member which is participating in an ongoing program offered by ABAG POWER shall be entitled to cast a vote at the Board of Directors or any committee of ABAG POWER.

### 6.4 Vacancies.

6.4.1. Vacancies. Vacancies in directors' position will be filled as provided in Section 6.

6.4.2. Events Causing Vacancy. A vacancy on the Board exists on the occurrence of the following: (i) the death of any director; (ii) the removal, dismissal or resignation of a director from the position he/she held with the Member at the time he/she became a director; (iii) the declaration by resolution of the Board of a vacancy of the office of a director who has been declared of unsound mind by an order of court or convicted of a felony; or (iv) written notice to the Secretary from the appointing Member stating that the designation of the director or alternate has been revoked said revocation to be effective upon receipt, unless the notice specifies a later time.

6.4.3. Resignations. No director may resign when ABAG POWER would then be without at least three (3) directors in charge of its affairs.

6.4.4. Reduction or Increase in Number of Directors. At the beginning of a fiscal year, the authorized number of directors may be reduced or increased by the deletion or addition of a Member.

### 6.5. Meetings.

The Chair or Vice-Chair of the Board, or any ten (10) directors by written request, may call a meeting of the Board.

### 6.6. Quorum.

A forty percent (40%) of the directors entitled to cast a vote is a quorum for the transaction of business. Except for acts requiring a supermajority under these Bylaws or the JPA, every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present is an act of the Board. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the quorum for that meeting, or if a supermajority is required, by the supermajority of the quorum for that meeting.

**6.7. Rules of Order.**

The Board may adopt rules of order to govern the conduct and procedure of Board meeting.

**6.8. Minutes.**

The Board will keep or cause to be kept written minutes of its proceedings, except executive sessions.

**6.9. Fees and Compensation of Directors.**

Directors and members of committees may receive such reimbursement of expenses as may be determined by resolution of the Board to be just and reasonable.

**6.10. Delegation of Powers.**

Except as otherwise proscribed in these Bylaws and the JPA, the Board may delegate any of its powers.

**ARTICLE 7 -- BOARD COMMITTEES**

**7.1. Executive Committee.**

The Executive Committee is a standing committee comprised of the Chair, Vice Chair and three (3) to nine (9) members entitled to cast a vote or their alternates which is hereby empowered to exercise all powers of the Board except as otherwise specifically proscribed in these Bylaws or the JPA, during times when the Board does not meet or is unable to convene a meeting. Any director or alternate may attend and participate in the discussion at any Executive Committee meeting.

7.1.1. Voting. Actions requiring a supermajority vote of the Board require a supermajority vote of the Executive Committee. All other actions require a vote of the majority of the committee.

7.1.2. Initial Members. The Chair shall nominate the initial members of the Executive Committee. The Board shall set the number of members and, at its sole discretion, ratify or disapprove the nominees, or appoint other members.

7.1.3. Term. Each member serves a term ending on the next December 31, beginning in 1998. A member may succeed himself/herself and may serve any number of consecutive or non-consecutive terms.

7.1.4. Vacancies. In the event, a vacancy on the Executive Committee occurs, the Chair may appoint a new member who will serve on the Executive Committee with all rights and duties until the new member is either ratified or disapproved at the next meeting of the Board.

**7.2. Ad Hoc Committees.**

Upon written notice after-the-fact, the Chair may designate one (1) or more ad hoc advisory committees, each consisting of two (2) or more directors or their alternates, to be ratified by and serve at the pleasure of the Board, and to exercise such powers as may be delegated to it, except that no ad hoc committee may:

7.2.1. take any final action on matters which, under the JPA, requires approval a majority or supermajority vote of Board;

7.2.2. amend or repeal Bylaws or adopt new Bylaws;

7.2.3. amend or repeal any resolution of the Board which by its express terms is not so amendable or repealable;

7.2.4. appoint any other committees of the Board or the members of these committees;  
or

7.2.5. approve any transaction (1) to which ABAG POWER is a party and one or more directors have a material financial interest as defined in the California Government Code; or (2) between ABAG POWER and one or more of its directors or between ABAG POWER or any person in which one or more of its directors have a material financial interest.

**7.3. Meetings and Action of Committees.**

Meetings and action of Board and Program committees will be governed by, and held and taken in accordance with, the provisions of Sections 6.4-6.5 of these Bylaws, concerning meetings of directors, with such changes in the context of those Bylaws as are necessary to substitute the committee and its members for the Board and its members, except that the meetings of committees may be called by the Board. Minutes will be kept of each meeting of any committee and will be filed with ABAG POWER records.

**ARTICLE 7A -- PROGRAMS AND PROGRAM COMMITTEES**

**7A.1. Programs.**

The Board has the power, upon majority vote, to establish Programs within the purpose and power of ABAG POWER and to adopt general policy guidelines for their implementation. By adopting these Bylaws, the Board hereby establishes the following Programs:

7A.1.1. Natural Gas Aggregation. The program for the aggregation program natural gas (PANG) previously established by ABAG is hereby approved and ABAG POWER will assume all the duties, obligations, debts and liabilities incurred by ABAG in connection with the PANG upon ABAG POWER's receipt of written acknowledgment of such transfer from each participant in the PANG, vendor(s) and consultant(s), the California Public Utilities Commission (CPUC), the natural gas supplier, PG&E and ABAG.

7A.1.2. Electric Aggregation. ABAG POWER hereby approves an electric program for direct access through aggregation (DATA).

**7A.2. General Program Guidelines.**

The following guidelines apply to all programs established by ABAG POWER:

7A.2.1. Upon a two-thirds (2/3) vote, the Board will allocate ABAG's administrative fees, charges and costs among the Programs.

7A.2.2. The participants in a program will all collectively agree, in an Agreement separate from the JPA and these Bylaws, to assume all obligations, debts and liabilities incurred by ABAG POWER in connection with the formation and/or implementation of such program. Such agreement may impose joint and several liability on the participants for the program's debts, obligation and/or liabilities. However, nothing in this section requires joint and several liability.

**7A.3. Program Committees.**

There will be a program committee for each program. A program committee will be comprised of a number of directors equal to ten percent (10%) of the participants. Until more than one program is active, the Executive Committee will serve as the DATA Program Committee.

**ARTICLE 8 -- OFFICERS**

**8.1. Officers.**

The officers of ABAG POWER are the Chair, Vice-Chair, President, Secretary and Chief Financial Officer/Treasurer. The Chair and Vice-Chair (elected officers) will be elected. All directors are eligible to serve as an elected officer. The Board of Directors, or the Executive Committee between meetings of the Board of Directors, will appoint a President, Chief Financial

Officer and Secretary for ABAG POWER. Any number of offices may be held by the same person, except that neither the Secretary nor the Chief Financial Officer/Treasurer may serve concurrently as the President.

**8.2. Election of Officers.**

At the first meeting of the Board, and as necessary thereafter, nominations for the offices of Chair and Vice-Chair, will be made and seconded by a director. If more than two (2) names are nominated for any one office, balloting occurs until a nominee receives a majority of the votes cast; provided that after the first ballot the nominee receiving the fewest votes will be dropped from the balloting. Each elected officer serves a term ending on the next December 31, beginning December 31, 1998. An elected officer may succeed himself/herself and may serve any number of consecutive or non-consecutive terms.

**8.3. Removal of Officers.**

An elected officer may be removed, with or without cause, by a majority vote of the Board at a regular or special meeting.

**8.4. Vacancies.**

Any vacancy in any office because of death, resignation, removal, disqualification, or any other cause will be filled for the balance of the vacated term in the manner prescribed in these Bylaws for regular appointments to that office; provided, however, that such vacancies may be filled at any regular or special meeting of the Board.

**8.5. Resignation of Officers.**

In the absence of a contrary written agreement, any officer may resign at any time by giving written notice to the President or Secretary. Any resignation takes effect at the date of the receipt of that notice or at any later time specified in that notice. Unless otherwise specified in that notice, the acceptance of the resignation is not necessary to make it effective.

**8.6. Responsibilities of Officers.**

8.6.1. Chair of the Board. The Chair of the Board presides at meetings of the Board and exercises and performs such other powers and duties as may be from time to time assigned to him/her by the Board or prescribed by the Bylaws.

8.6.2. Vice-Chair of the Board. The Vice-Chair of the Board fulfills all the duties of the Chair in his/her absence.

8.6.3. President. Subject to such supervisory powers as may be given by the Board of Directors to the Chair of the Board, the President generally supervises, directs, and controls the business and the employees of ABAG POWER. He or she has such other powers and duties as may be prescribed by the Board or the Bylaws.

8.6.4. Secretary. The Secretary will:

(i) Book of Minutes. Keep or cause to be kept, at the principal executive office or such other place as the Board may direct, a book of minutes of all meetings and actions of directors and committees of ABAG POWER, with the time and place of holding, whether regular or special, and, if special, how authorized, the notice given, the names of those present at such meetings and the proceedings of such meetings.

(ii) Notices and Other Duties. Give, or cause to be given, notice of all meetings of the Board and Committees of ABAG POWER required by the Bylaws to be given. He or she has such other powers and perform such other duties as may be prescribed by the Board.

8.6.5. Chief Financial Officer. The Chief Financial Officer perform as follows:

(i) Books of Account. The Chief Financial Officer keeps and maintains, or causes to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of ABAG POWER, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and other matters customarily included in financial statements. The books of account will be open to inspection by any director at all reasonable times.

(ii) Deposit and Disbursement of Money and Valuables. The Chief Financial Officer deposits all money and other valuables in the name and to the credit of ABAG POWER with such depositories as may be designated by the Board; disburses the funds of ABAG POWER as may be ordered by the Board; renders to the directors, whenever they request it, an account of all of his/her transactions as Financial Officer and of the financial condition of ABAG POWER; and has other powers and perform such other duties as may be prescribed by the Board or the Bylaws.

(iii) Bond. If required by the Board, the Chief Financial Officer will give ABAG POWER a bond in the amount and with the surety or sureties specified by the Board for faithful performance of the duties of his/her office and for restoration to ABAG POWER of all its books, papers, vouchers, money, and other property of every kind in his/her possession or under his/her control on his/her death, resignation, retirement, or removal from office.

#### **8.7. Fees and Compensation.**

The officers may receive such reimbursement of expenses as may be determined by resolution of the Board to be just and reasonable.

### **ARTICLE 9 -- MEMBER INDEMNITY**

Each Member hereby agrees to indemnify and hold harmless all other Members to the extent any liability is found or imposed against said Member pursuant to California Government Code Section 895.2.

### **ARTICLE 10 -- OBLIGATIONS OF PROGRAM PARTICIPANTS**

#### **10.1. Release and Indemnification.**

Program participants will indemnify and save ABAG POWER and ABAG, their respective members, directors, officers and employees of each of the foregoing harmless from and against all claims, losses and damages, including legal fees and expenses, arising out of

10.1.1. any bond or other debt instrument or evidence of indebtedness issued by ABAG POWER to pay for any costs, fees or expenses incurred, or to be incurred, in connection with the program,

10.1.2. any breach or default on the part of the participant in the performance of any of its obligations under the program, and

10.1.3. any act or negligence of the participant or of any of its agents, contractors, servants, employees or licensees with respect to the program, except for liability arising out of the willful misconduct, gross negligence, or breach of a contractual duty by ABAG POWER or ABAG, or their members or their officers, agents, employees, successors or assigns.

#### **10.2. Payment of Costs and Expenses.**

Program Participants are required to pay any and all costs and expenses involved in or associated in any way with their particular Program. This obligation survives termination of ABAG POWER.

## **ARTICLE 11 -- ADMISSION, WITHDRAWAL, SUSPENSION AND EXPULSION**

### **11.1. Conditions for Admission of a New Member.**

Each applicant for membership in ABAG POWER will meet the following minimum qualifications:

11.1.1. such new Member must be a public entity in the State of California and a member or cooperating member of ABAG;

11.1.2. adopt a resolution approving entry into ABAG POWER, designating a director, authorizing the execution of the JPA, and acknowledging these Bylaws;

11.1.3. approved for admission to ABAG POWER by a vote of at least two-thirds (2/3) of the authorized directors of the Board; and

11.1.4. paid such fees, expenses and costs as may be set by the Board.

### **11.2. Conditions to Permitting Withdrawal of a Member.**

A Member may withdraw provided that the following conditions are satisfied:

11.2.1. such Member is not in default of any of its obligations to pay any costs or fees assessed by the Board;

11.2.2. such withdrawal will not cause ABAG POWER to be in default or breach of any agreement to which it is a party, or of any bond or other evidence of indebtedness issued by ABAG POWER;

11.2.3. not later than one hundred and eighty (180) days immediately preceding the effective date of such withdrawal, such Member has provided written notice to ABAG POWER of its intent to withdraw;

11.2.4. such withdrawal is effective on June 30; and

11.2.5. at least two (2) directors will be authorized after such withdrawal. In the event fewer than two (2) directors would be authorized, said Member may not withdraw until all principal of and interest on any and all bonds and other evidences of indebtedness issued by ABAG POWER have been paid in full. Notice to withdraw is revocable by the Member if such written revocation is received by ABAG POWER no later than December 1.

### **11.3. Conditions to Permitting Suspension of a Member.**

ABAG POWER may suspend a Member from ABAG POWER subject to the following conditions:

11.3.1. the Member is in default under the terms of the JPA, these Bylaws, any contract executed by the Member in connection with any ABAG POWER program, any bond or other evidence of indebtedness for which the Member has agreed to assume responsibility, in whole or in part; and

11.3.2. ABAG POWER has given written notice of the default described in subsection 11.3.1. to the defaulting Member; and

11.3.3. not earlier than thirty (30) days after transmittal of the notice and not later than the sixty (60) days immediately preceding the effective date of such suspension, two-thirds (2/3) of the authorized directors votes to suspend said Member.

### **11.4. Conditions to Permitting Expulsion of a Member.**

ABAG POWER may expel a Member from ABAG POWER subject to the following conditions:

11.4.1. the Member is in default under the terms of the JPA, these Bylaws, any contract executed by the Member in connection with any ABAG POWER program, any bond or other



evidence of indebtedness for which the Member has agreed to assume responsibility, in whole or in part; and

11.4.2. ABAG POWER has given written notice of the default described in subsection 11.4.1. to the defaulting Member; and

11.4.3. not earlier than thirty (30) days after transmittal of the notice and not later than the sixty (60) days immediately preceding the effective date of such expulsion, two-thirds (2/3) of the authorized directors votes to expel said Member.

## **ARTICLE 12 -- FEES**

### **12.1. Membership in ABAG POWER.**

No fees may be assessed to join or continue membership in ABAG POWER.

### **12.2. Extraordinary Costs.**

In the event ABAG POWER incurs any extraordinary or unanticipated costs, including, but not limited to, legal fees and/or litigation expenses, the Members will be assessed a fee or fees on a pro-rata basis as determined by the Board necessary to pay such extraordinary or unanticipated costs. This provision survives termination of ABAG POWER and/or each Member's participation in it.

## **ARTICLE 13 -- ADMINISTRATIVE AGENCY**

ABAG is designated in the JPA as the administrative agency for ABAG POWER. As such, ABAG will provide necessary administrative services for ABAG POWER pursuant to a service agreement.

## **ARTICLE 14 -- PURCHASE OF INSURANCE**

In conformance with the procedures and criteria developed by it, the Board may cause ABAG POWER to purchase commercial insurance or reinsurance or terminate commercial insurance or reinsurance upon a majority vote.

## **ARTICLE 15 -- EVENTS OF DEFAULT AND REMEDIES**

### **15.1. Events of Default Defined.**

The following are "events of default" under the JPA and these Bylaws, and the terms "events of default" and "default" means, whenever they are used in the JPA and these Bylaws, with respect to a Member, any one or more of the following events:

15.1.1. failure by such Member to observe and perform any covenant, condition or agreement on its part to be observed or performed under the JPA, to comply with these Bylaws or to comply with a ABAG POWER program requirement (including but not limited to any contract executed by the Member in connection with any program, any bond or other evidence of indebtedness for which the Member has agreed to assume responsibility, in whole or in part) other than as referred to in clause 15.1.2. of this Section, for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied has been given to such Member by ABAG POWER or the Secretary; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, ABAG POWER, or the Secretary, as the case may be, will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by the Member within the applicable period and diligently pursued until the default is corrected. After such an extension, failure to diligently pursue or to achieve corrective

action is a separate "event of default" under this clause requiring notice but not requiring that ABAG POWER consent to any extension.

15.1.2. non-payment of any fees assessed by the Board; or

15.1.3. the filing by such Member of a case in bankruptcy, or the subjection of any right or interest of such Member under the JPA or these Bylaws to any execution, garnishment or attachment, or adjudication of such Member as a bankrupt, or assignment by such Member for the benefit of creditors, or the entry by such Member into an agreement of composition with creditors, or the approval by a court of competent jurisdiction of a petition applicable to the Member in any proceedings instituted under the provisions of the Federal Bankruptcy Code, as amended, or under any similar act which may hereafter be enacted.

#### **15.2. Remedies on Default.**

15.2.1. Whenever any event of default referred to in subsection 15.1.1. of this Article has occurred and is continuing, it will be lawful for ABAG POWER to exercise any and all remedies available pursuant to law or granted pursuant to the JPA and these Bylaws.

15.2.2. In the event that ABAG POWER elects to expel any defaulting Member, subject to the conditions described and in the manner provided in Section 11.4 of these Bylaws, the Member nevertheless agrees to pay ABAG POWER all costs, losses or damages arising or occurring as a result of such default and termination, and administrative and legal costs incurred in noticing the default and effecting the expulsion. No such expulsion becomes effective, by operation of law or otherwise, unless and until ABAG POWER has given written notice of such expulsion to the Member; no such expulsion will be effected either by operation of law or acts of the parties hereto, except only in the manner herein expressly provided; and no such expulsion terminates the obligation of the expelled Member to pay any fees assessed prior to such expulsion.

#### **15.3. No Remedy Exclusive.**

No remedy conferred herein upon or reserved to ABAG POWER is intended to be exclusive and every such remedy is cumulative and is in addition to every other remedy given under the JPA or these Bylaws, now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default impairs any such right or power or will be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle ABAG POWER to exercise any remedy reserved to it in these Bylaws, it is not necessary to give any notice, other than such notice as may be required in these Bylaws or by law.

#### **15.4. Agreement to Pay Attorneys' Fees and Expenses.**

In the event either ABAG POWER or a Member should be in default under any of the provisions of these Bylaws and the nondefaulting party should employ attorneys or incur other expenses for the collection of moneys or the enforcement of performance or observance of any obligation or agreement on the part of the defaulting party, the defaulting party agrees that it will on demand therefor pay to the nondefaulting party the reasonable fees of such attorneys and such other expenses so incurred by the nondefaulting party.

#### **15.5. No Additional Waiver Implied by One Waiver.**

In the event any agreement contained in the JPA and these Bylaws should be breached by either party and thereafter waived by the other party, such waiver will be limited to the particular breach so waived and will not be deemed to waive any other breach hereunder.

## **ARTICLE 16 -- TERMINATION**

### **16.1. Time of Termination.**

ABAG POWER may be terminated upon the written consent of all of the Members if the effective termination date and such written consents are delivered to ABAG POWER and the Secretary at least sixty (60) days prior to the effective termination date provided that all principal of and interest on any and all bonds and other evidences of indebtedness issued by ABAG POWER are paid in full.

### **16.2. Continuing Obligations.**

After the termination date, ABAG POWER will continue to be obligated to pay, or cause to be paid any amounts due for winding up its affairs, including but not limited to any litigation costs and/or extraordinary costs associated with a financing transaction. After the effective termination date, each Member has a continuing obligation to pay any fees assessed prior to the effective termination date.

### **16.3. Distribution of Assets.**

In the event any assets remain after winding up the affairs of ABAG POWER, such sums will be distributed to the Association of Bay Area Governments.

## **ARTICLE 17 -- AMENDMENTS**

### **17.1. Amendment by Directors.**

Subject to the limitations set forth below, the Board may adopt, amend or repeal Bylaws. Such power is subject to the following limitations:

17.1.1. The Board may not amend a Bylaw provision fixing the authorized number of directors or the minimum and maximum number of directors.

17.1.2. If any provision of these Bylaws requires the vote of a larger proportion of directors than a simple majority, such provision may not be altered, amended or repealed except by vote of such larger number of directors.

17.1.3. The Board may not delete or amend Bylaw provisions requiring compliance with the JPA.

## **ARTICLE 18 -- RECORDS AND REPORTS**

### **18.1. Maintenance of ABAG POWER Records.**

ABAG POWER will keep:

18.1.1. Adequate and correct books and records of account; and

18.1.2. Minutes in written form of the proceedings of its Board, and committees of the Board.

All such records will be kept at ABAG POWER's principal executive office, or if its principal executive office is not in the State of California, at its principal business office in this state.

### **18.2. Inspection Rights.**

18.2.1. Any Member may inspect the accounting books and records and minutes of the proceedings of the Board and committees of the Board, at any reasonable time, for a purpose reasonably related to such person's interest.

18.2.2. Any inspection and copying under this section may be made in person or by an agent or attorney or the entity entitled thereto and the right of inspection includes the right to copy and make extracts.

**18.3. Maintenance and Inspection of JPA and Bylaws.**

ABAG POWER will keep at its principal executive office the original or copy of the JPA and these Bylaws as amended to date, which will be open to inspection by ABAG POWER or any Member at all reasonable times during office hours.

**18.4. Inspection by Directors.**

Every director has the absolute right at any reasonable time to inspect all non-confidential books, records, and documents of every kind and the physical properties of ABAG POWER and each of its subsidiary Authorities. This inspection by a director may be made in person or by an agent or attorney, and the right of inspection includes the right to copy and make extracts of documents.

**18.5. Financial Report.**

18.5.1. As soon as possible after the close of ABAG POWER's fiscal year, the Board will cause an annual report prepared by a Certified Public Accountant to be sent to the governing body of each Member.

18.5.2. The report required by this section will be accompanied by any report thereon of independent accountants, or, if there is no such report, by the certificate of an authorized officer of ABAG POWER that such statements were prepared without audit from the books and records of ABAG POWER.

**18.6. Fiscal Year.**

ABAG POWER's fiscal year is July 1 to June 30.

**ARTICLE 19 -- CONSTRUCTION AND DEFINITIONS**

Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the California Civil Code will govern the construction of these Bylaws. Without limiting the generality of the above, the term "person" includes both ABAG POWER and a natural person and any capitalized term not defined in these Bylaws will have the meaning ascribed to it in the JPA.

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**ABAG POWER Natural Gas Program**

FY 2016-17 Monthly Summary of Operations

	days/mo.	Jul 31	Aug 31	Sep 30	Oct 31	Nov 30	Dec 31	Jan 31	Feb 29	Mar 31	Apr 30	May 31	Jun 30	Total
<u>Gas Purchases<sup>(1)</sup></u>														
Purchase 1	Qty	15,446	15,339	14,930	15,500	15,000	15,500	15,500	14,500	15,500	15,000	15,500	15,000	182,715
	Price	\$2.29	\$2.29	\$2.29	\$2.71	\$2.71	\$2.71	\$3.06	\$3.06	\$3.06	\$3.06	\$3.06	\$3.06	
Purchase 2	Qty	20,275	19,840	19,593	20,336	25,440								105,484
	Price	\$2.63	\$2.62	\$2.72	\$2.77	\$2.31								
Purchase 3	Qty	31,000	31,000	13,250	15,650	10,300								101,200
	Price	\$3.00	\$3.22	\$3.37	\$3.25	\$2.88								
Purchase 4	Qty													0
	Price													
Purchase 5	Qty													0
	Price													
Total Quantity Purchased		66,721	66,179	47,773	51,486	50,740	15,500	15,500	14,500	15,500	15,000	15,500	15,000	389,399
Total Purchase Cost		\$181,805	\$186,797	\$132,141	\$149,250	\$128,962	\$42,005	\$47,430	\$44,370	\$47,430	\$45,900	\$47,430	\$45,900	\$1,099,420
Backbone Shrinkage (Dths)		(484)	(499)	(433)	(437)	(510)								
WACOG <sup>(2)</sup>		\$2.74	\$2.84	\$2.79	\$2.92	\$2.57	\$2.71	\$3.06	\$3.06	\$3.06	\$3.06	\$3.06	\$3.06	\$2.82
<u>Storage/Inventory</u>														
Total Injections/ (Withdrawals)		12,615	14,530	4,000	3,494	(8,450)								26,189
Total Inventory Quantity (Dths)		37,831	52,361	56,361	59,855	51,405								
Total Inventory (\$)		\$130,594	\$171,471	\$182,847	\$192,599									
Avg. Inventory Rate (\$/Dth)		\$3.45	\$3.27	\$3.24	\$3.22									
<u>Gas Program Monthly Expenses (from Financial Reports)</u>														
Cost of Energy Used <sup>(3)</sup>		\$ 167,169	\$ 172,683	\$ 148,381	\$ 166,766									\$ 654,999
Program Operating Expenses <sup>(4)</sup>		20,848	34,208	29,210	32,472									116,738
Subtotal		\$ 188,017	\$ 206,891	\$ 177,591	\$ 199,239	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 771,737
Rate (\$/Dth)		\$4.51	\$4.89	\$3.97	\$3.93									\$4.30
PG&E Pass-through costs <sup>(5)</sup>		249,039	184,806	169,540	297,817									901,202
Total ABAG POWER Cost		\$ 437,056	\$ 391,696	\$ 347,131	\$ 497,055									\$ 1,672,939
<u>Actual (metered) Gas Usage</u>														
Core <sup>(6)</sup>		34,254	33,167	34,928	42,199									144,548
Non Core		7,471	9,159	9,760	8,561									34,951
Total Program Usage		41,725	42,325	44,688	50,760	0	0	0	0	0	0	0	0	179,499
ABAG POWER Total Core Rate		\$ 11.78	\$ 10.46	\$ 8.83	\$ 10.98									
<u>PG&amp;E Rate<sup>(7)</sup></u>														
Procurement Charge <sup>(8)</sup>		2.58	2.94	2.79	3.70	4.42								
Transportation/Other Charge <sup>(9)</sup>		7.27	5.57	4.85	7.06									
Total PG&E Rate		\$ 9.85	\$ 8.51	\$ 7.65	\$ 10.76	\$ 4.42	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

**ABAG POWER Natural Gas Program**

FY 2016-17 Monthly Summary of Operations

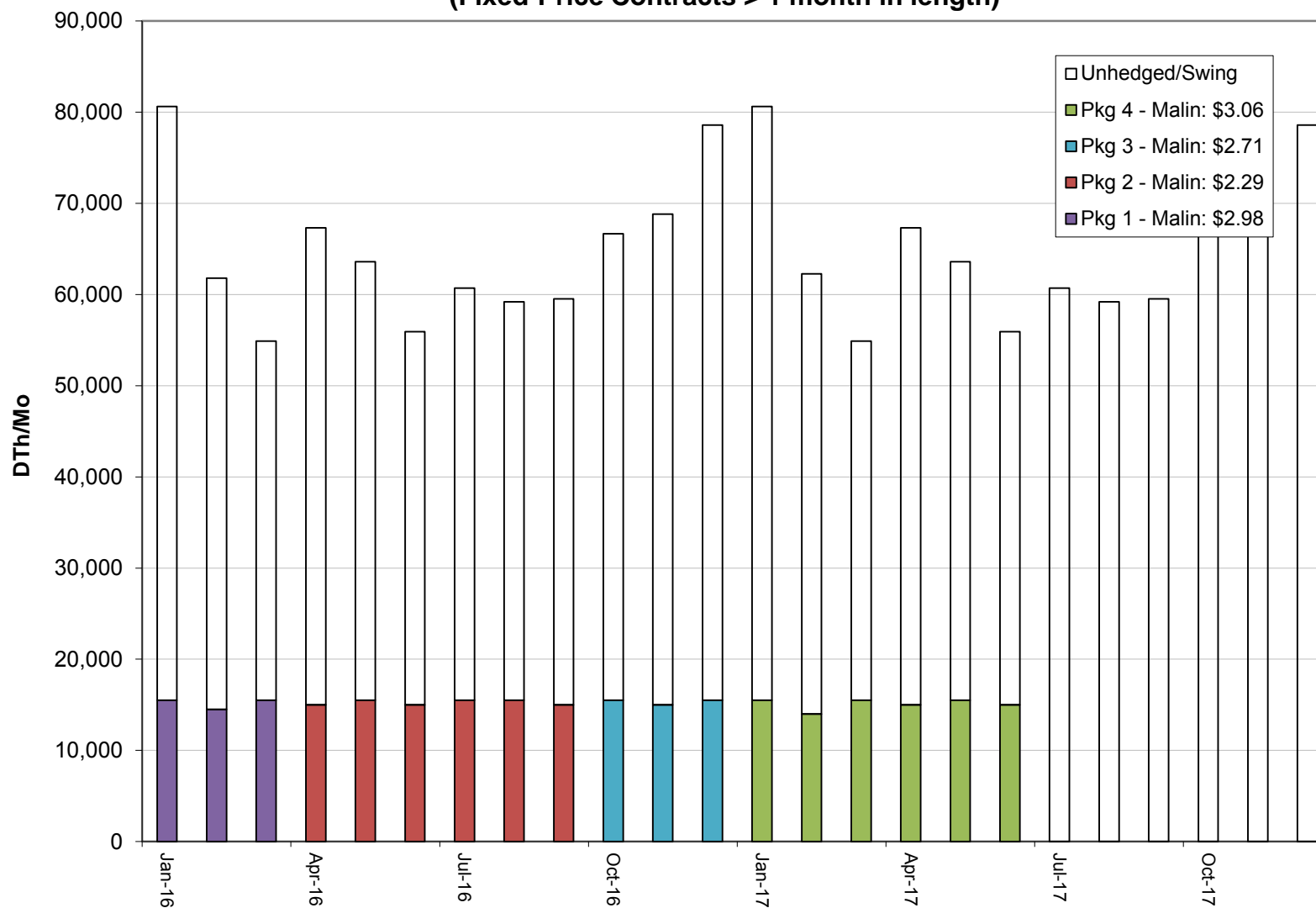
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
<u>Rate Comparison</u>													
Monthly Rate Difference (\$/Dth)	1.92	1.95	1.18	0.23									
Monthly Savings (\$)	(65,911)	(64,718)	(41,198)	(9,571)									
Cumulative 'Savings' (\$)	(65,911)	(130,629)	(171,827)	(181,398)									
Cumulative 'Savings' (%)	-19.5%	-21.1%	-19.4%	-13.5%									
Monthly Index Postings													
NGI Bidweek for PG&E Citygate	\$3.04	\$3.08	\$3.31	\$3.40	\$3.25	\$3.55							
Gas Daily Avg. for PG&E Citygate	\$2.98	\$3.20	\$3.36	\$3.24	\$2.82								
NGI Bidweek for Malin	\$2.62	\$2.61	\$2.71	\$2.76	\$2.67	\$3.08							

Notes:

- (1) All gas quantities in Dth and rates in \$/Dth. (Does not include imbalance purchases traded to storage.)
- (2) Weighted Average Cost of Gas (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) PG&E charges billed to ABAG POWER via EDI process and passed through to customers. 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.

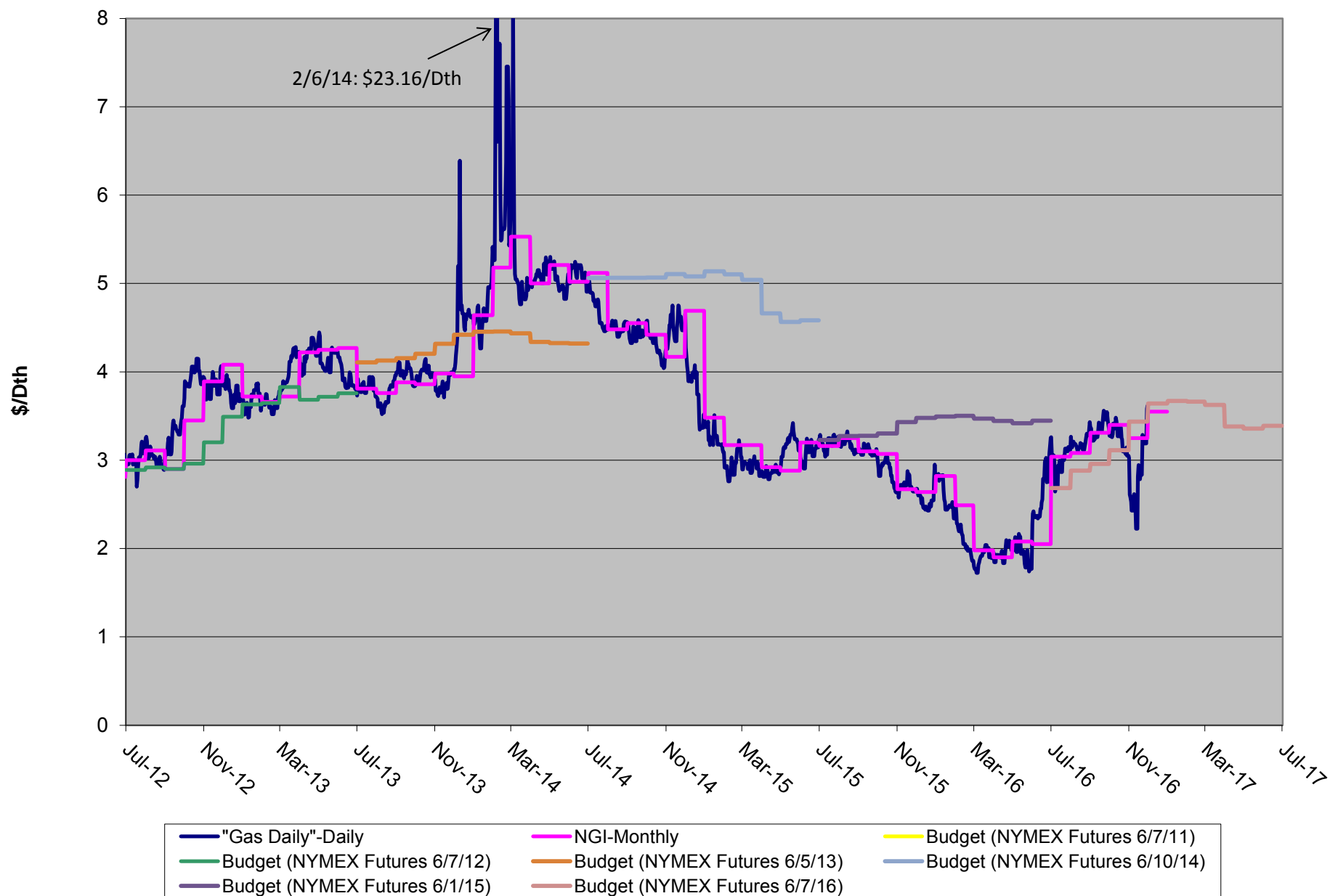
## Gas Hedge Chart

**ABAG POWER Long Term Gas Purchases  
(Fixed-Price Contracts > 1 month in length)**



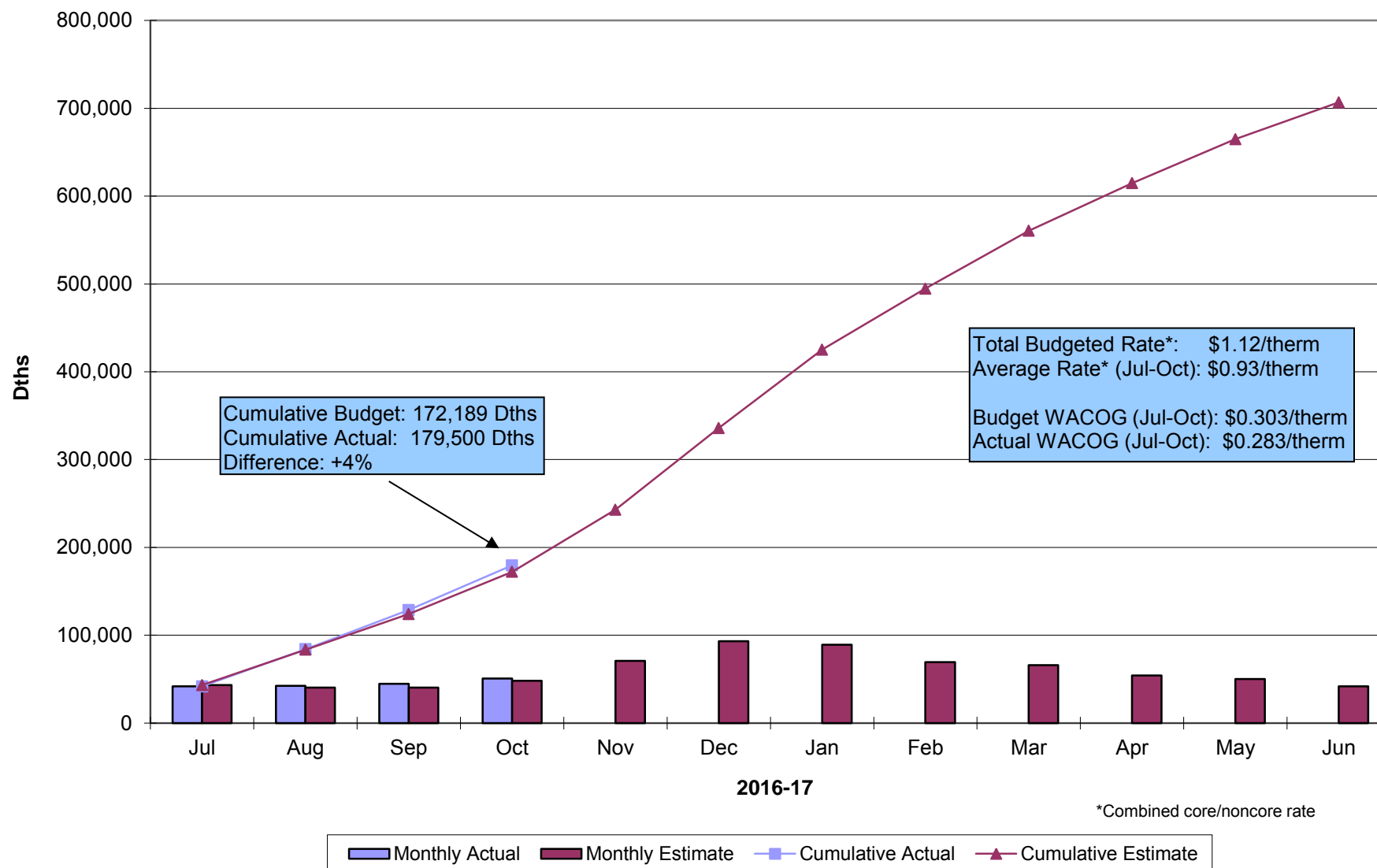
## Market Price Chart

### 5-Yr Historical/Future Market Price Indices @ PG&E Citygate





### 2016-17 Monthly & Cumulative Usage Summary (Actual vs. Budgeted)



## ABAG POWER

### Gas Price Comparison 2003 - Present

(Commodity and operational costs only - does not include PG&E transportation costs)

Fiscal Year	ABAG POWER Avg. Rate*	PG&E Core Proc. Avg. (GNR-1)*	ABAG POWER Core Usage (Dths)			Avg. Market Rates (Commodity only)		
				Savings	% Savings	NGI FOM Index	Gas Daily Avg Index	
2003-04	5.41	5.72	752,396	\$ 232,339	5.4%	5.23	5.22	
2004-05	6.14	6.70	773,989	\$ 432,543	8.3%	6.29	6.12	
2005-06	9.41	9.46	801,985	\$ 33,121	0.4%	8.01	8.00	
2006-07	8.81	7.64	798,963	\$ (935,085)	-15.3%	6.78	6.78	
2007-08	8.05	8.91	832,931	\$ 714,349	9.6%	7.90	8.21	
2008-09	7.79	7.00	778,245	\$ (612,975)	-11.2%	6.12	5.70	
2009-10	6.77	5.36	770,928	\$ (1,091,370)	-26.4%	4.58	4.58	<== Excludes gas litigation proceeds.
2010-11	5.54	5.44	789,996	\$ (75,809)	-1.8%	4.31	4.27	
2011-12	4.53	4.67	784,952	\$ 107,139	2.9%	3.51	3.40	
2012-13	4.38	4.50	758,707	\$ 85,737	2.5%	3.69	3.71	
2013-14	5.26	5.13	731,889	\$ (97,998)	-2.6%	4.49	4.67	
2014-15	4.98	4.67	615,638	\$ (107,022)	-6.5%	3.85	3.71	
2015-16	3.78	3.15	612,329	\$ (385,485)	-20.0%	2.60	2.56	<== Preliminary
<hr/>								
Total Average	6.31	6.13	Grand Total:	\$ (1,779,203)	-3.0%	5.18	5.15	
			(Weighted Avg.)					
						Purchase Margin:	0.02	
						Operating Expenses:	0.44	
						Total:	5.61	
						\$ Savings:	0.53	
						% Savings:	8.6%	

\* Average weighted by monthly usage.

# **CORE NATURAL GAS SALES AND AGGREGATION AGREEMENT**

**By and Between**

**ABAG POWER**

**and**

---

(Name of Public Agency)

For service within the territory of  
Pacific Gas & Electric Company

## CORE NATURAL GAS SALES AND AGGREGATION AGREEMENT

This Core Natural Gas Sales and Aggregation Agreement, hereinafter "Agreement", is made and entered into as of this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_, by and between the ABAG Publicly Owned Energy Resources, a California joint powers agency, hereinafter "ABAG POWER", and the \_\_\_\_\_ (name of public agency), a \_\_\_\_\_ (charter/general law city or county or special district), hereinafter "Public Agency".

The parties hereby agree as follows:

1. Eligibility: Public Agency is a member of ABAG POWER. ABAG POWER shall provide directly or, at its option, shall contract to provide coordination services for the purchase and management of a natural gas program for members of ABAG POWER participating in said program [Participant(s)].
2. Authorities: Public Agency is a customer of an entity providing natural gas services, hereinafter "Utility", under the jurisdiction of the California Public Utilities Commission, hereinafter "CPUC". Public Agency appoints ABAG POWER as its exclusive agent to coordinate its participation in the Utility's Natural Gas Aggregation Program for core transport customers, hereinafter "Program", on behalf of Public Agency for the facilities listed in Exhibit A, which is attached hereto and incorporated herein. All parties understand and agree that the authority for the Program is granted by and subject to the CPUC, as initially authorized by CPUC Decision No. 91-02-040 and modified through CPUC Decision No. 94-04-027 and Decision No. 95-07-048. This Agreement is pursuant to the Utility Aggregation Tariff Rate Schedule(s), Tariff Rules and terms and conditions set forth in such agreement. Public Agency represents and warrants that any prior aggregator authorizations which Public Agency may have executed will be terminated effective no later than the date of this authorization.
3. Services: ABAG POWER shall deliver, or cause to be delivered, the following services to Public Agency:
  - 3.1 Analyze and evaluate natural gas supply and transportation strategies;
  - 3.2 Negotiate and implement natural gas purchase, transportation and other similar gas services for Participants;
  - 3.3 Forecast estimated monthly gas requirements of Public Agency;
  - 3.4 Negotiate prices and quantities for natural gas purchases by Public Agency which may include a bid or request for proposal process;
  - 3.5 Perform nominations of gas purchased and transportation services for Public Agency;
  - 3.6 Monitor gas account imbalances with transporters;

3.7 Provide for the delivery of natural gas to Participants' facilities as listed in Exhibit A and for storage as permitted by the Utility.

3.8 Generate gas purchase, transportation and storage invoices showing:

3.8.1 For each facility listed in Exhibit A, the meter cycle, monthly usage, and gas charges, which include utility transportation charges, operational fees, ABAG POWER administrative fees and any utility charges.

3.8.2 The status of the account identifying the prior account balance, any payments since the previous invoice, current charges plus any applicable late payment charges and credit balances as calculated pursuant to Paragraph 9.3; and

3.9 Provide general consultation services.

4. Enrollment Notification of Changes: Public Agency shall through the attached Exhibit A submit to ABAG POWER its list of accounts to be served hereunder. Public Agency represents and warrants that all facilities listed in Exhibit A distribute natural gas used by Public Agency and that none of the facilities will be serviced by another core transport agent as of the Start Date as defined in Paragraph 9.5. Public Agency shall also notify ABAG POWER of changes in Public Agency's facilities or operations which are reasonably expected to increase or decrease the consumption of natural gas more than ten percent (10%) as compared to historical levels. Public Agency may add facilities to Exhibit A upon prior written notice to ABAG POWER and the submission of a "Customer Authorization for Core Gas Transportation Service" form (or Utility authorized equivalent) to the Utility. Public Agency may delete facilities from Exhibit A only upon written consent by ABAG POWER, which consent shall not be unreasonably withheld, except that Public Agency may delete facilities without ABAG POWER's consent if Public Agency abandons the facility or transfers the facility to another entity.

5. Agency Relationship: Public Agency authorizes ABAG POWER to act as its exclusive agent for the Program and does hereby constitute and appoint an authorized officer or agent of ABAG POWER to act on its behalf as its lawful agent for the implementation of the Program. This authorization shall include the right to do and perform all acts, with full power to execute all documents requisite and necessary to be done in all matters relating to the purchase, sale, and transportation of natural gas. Therefore, Public Agency authorizes ABAG POWER to take actions appropriate to establish and implement the Program, including, but not limited to:

5.1 Aggregating the gas supplies and services of Public Agency with those of other Participants in conjunction with providing such gas supplies and services to Public Agency and pursuant to the terms and conditions of the Program;

5.2 Executing local distribution company riders and other documentation on behalf of Public Agency;

5.3 Nominating gas supplies on behalf of Public Agency;

5.4 Handling gas imbalances, gas storage, and all other operational transactions with the Utility in order to deliver gas to the Utility for subsequent redelivery to Public Agency; and

5.5 Arranging for payment of Program bills for natural gas, transportation and other Utility charges. Public Agency understands and agrees that in the event of nonpayment by ABAG POWER, Public Agency will be responsible for payment of Public Agency's bills for gas and services, even if the Public Agency has already made payment to ABAG POWER for those gas quantities and services.

Public Agency understands that if ABAG POWER's contract with the Utility terminates for any reason, on Public Agency's receipt of notice from Utility, Public Agency will receive gas service for Exhibit A accounts under core procurement service from the Utility commencing on the first day of Public Agency's next billing cycle pursuant to the terms and conditions of the applicable core procurement Tariff Rate Schedule for each Public Agency's accounts for the remainder of the Contract Year.

6. Title: All purchase, transportation and other gas service contracts shall be in the name of ABAG POWER.

7. Term: Subject to the provisions of Paragraphs 12 and 13 hereof, and receipt of timely notifications of alternative arrangements, this Agreement shall be in full force for a minimum three (3) year term commencing July 1 of the year immediately following the execution date of this contract. Subject to Paragraph 13, and provided that ABAG POWER is not in breach of this Agreement, every year on July 1 the term of this Agreement shall be automatically extended for additional three-year periods unless Public Agency notifies ABAG POWER in writing no later than June 1 that it will opt out of the Program at the end of the next 3-year period.

8. Fees: The operational fees for all services described in Paragraphs 3 and 5 shall be established by the ABAG POWER Board of Directors, hereinafter "Board".

9. Payment:

9.1 On a monthly basis, unless otherwise approved by Public Agency, ABAG POWER will provide, or cause to be provided, to Public Agency a consolidated invoice for the Public Agency's facilities serviced under this Agreement. Invoices will be directed to and payment is to be made directly by Public Agency to the escrow account designated pursuant to Paragraph 10 of this Agreement. Payment is due immediately upon receipt of the invoice. Late payment charges at the rate of one and a half percent (1.5%) per month calculated daily on the outstanding balance will be imposed commencing on the thirty-first (31st) day after the mailing date of the invoice. Late payment charges may, at ABAG POWER's sole discretion, be debited against Public Agency's Credit Account as defined in Paragraph 9.3.

9.2 ABAG POWER will invoice Public Agency, and Public Agency will pay, in monthly installments, sums representing payments in advance for the natural gas and services provided under this Agreement (Invoiced Amounts). Initially, Invoiced Amounts will be based on ABAG POWER's estimate of Public Agency's consumption of natural gas for the month leveled to eliminate extreme consumption fluctuations but adjusted to reflect moderated seasonal fluctuations. Each invoice will also identify the costs, if any, of natural gas, transportation, utility charges, operational fees and administration fees charged to Public Agency for the period identified in the invoice (Actual Charges). Any disputes between the parties regarding the amount of any Actual Charges shall be resolved pursuant

to Section H of Exhibit B to this Agreement and the Credit Account, as defined in Paragraph 9.3, will be adjusted as soon as practicable to reflect the resolution of the dispute.

9.3 For each invoice, ABAG POWER will calculate (a) the difference between the Invoiced Amount and the Actual Charges, and (b) the difference between the cumulative total of the Invoiced Amounts and the cumulative total of Actual Charges, adjusted pursuant to Paragraphs 9.1 and 9.2 (Credit Account). Public Agency recognizes that the Credit Account is a calculation of payments, credits, debits and charges made pursuant to this Agreement and that ABAG POWER will not be required to establish actual fund accounts on behalf of, or in the name of, Public Agency with monies.

9.4 In accordance with the terms of Paragraph 10, ABAG POWER will first apply the Invoiced Amounts to the payment of Actual Charges. Public Agency acknowledges that during the term of this Agreement ABAG POWER has the right to use monies in the amount reflected in the Credit Account to pay Actual Charges incurred by other Participants in the Program as such Actual Charges become due. Such use of the monies will not be a debit against the Credit Account and will not obviate, eliminate or modify ABAG POWER's obligation to pay Public Agency the Credit Account amount pursuant to Paragraph 13.3. ABAG POWER retains the right to modify Invoiced Amounts to increase the sum of Credit Accounts in the Program in order to timely pay Actual Charges as they become due.

9.5 The initial invoice will be dated \_\_\_\_\_ and must be paid by \_\_\_\_\_ (Start Date), or this Agreement terminates on \_\_\_\_\_. Upon prior written notice to Public Agency, ABAG POWER may delay the Start Date to accommodate Program requirements.

9.6 In the event Public Agency fails to make timely payment consistent with the terms employed by ABAG POWER, in addition to any other remedy it may have hereunder and notwithstanding the existence of any late payment penalty, ABAG POWER may declare Public Agency to be in default and terminate the agreement. ABAG POWER is further authorized to bill Public Agency for reasonable charges associated with demands for payment on late accounts as well as reasonable charges associated with suspension and resumption of service hereunder.

10. Disbursement of Funds: Subject to the terms and conditions of this Agreement, ABAG POWER agrees to provide for sale and delivery, and Public Agency agrees to receive and to pay ABAG POWER for natural gas. Further, Public Agency agrees to pay for the Actual Charges.

10.1 An escrow account for the purposes of receiving payments by Participants and making payments to the Utilities, the gas supplier and other payees as authorized by ABAG POWER will be established.

10.2 The instructions for this escrow account have been approved by ABAG POWER, and shall include a list of the authorized recipients of payments from the account.

10.3 Only ABAG POWER may authorize release of funds from the escrow account, and such shall only be to those payees identified in the escrow instructions.

11. Gas Program Pricing:

11.1 Allocation. The gas charges to Participants will include (a) cost of the gas commodity (gas charges), (b) applicable utility transportation charges, and (c) administrative costs. Gas charges are the product of a Participant's usage times the unit rate for gas for each month. The unit rate is the total monthly cost of natural gas purchased for all Participants at the supplier contract price divided by the total monthly usage of Participants. Transportation and administrative charges will be allocated to each Participant based on gas usage.

11.2 Annual Report. Each year, ABAG POWER will provide each Participant with a report showing that Participant's total costs for natural gas, transportation services and administrative fees at a per therm cost for each category.

11.3 Gas Purchasing. Under the policy direction of the Board, ABAG staff will regularly canvas the natural gas market and enter into contracts to acquire natural gas for, among others, fixed price, indexed price and variable price with a minimum and/or maximum. ABAG staff, under the policy direction of the Board, has the power to execute all contracts reasonably necessary to deliver natural gas to each Participant.

12. Change of Regulations: Any future change in law, rule or regulation, or utility practice which prohibits or frustrates ABAG POWER or the Public Agency from carrying out the terms of this Agreement shall excuse both parties from their obligations, other than the obligation of Public Agency to make payments due for gas and services received.

13. Cancellation of Service:

13.1 Cancellation by Public Agency: Public Agency may cancel the Agreement by giving ABAG POWER written notice by June 1 of its intent to terminate on June 30 of the final year of the three (3) year term.

13.2 Cancellation by ABAG POWER: Actions by the utilities and/or CPUC to develop rules which are in conflict with sound business practices, or impose unnecessary risk on either party to this Agreement, or substantially prevent ABAG POWER from performing its functions under this Agreement may result in the cancellation of this Agreement by ABAG POWER. ABAG POWER shall give Public Agency written notice ninety (90) days prior to such cancellation and both parties shall work diligently to minimize the negative effects on ABAG POWER and the Public Agency of such cancellation.

13.3 Credit Account Payout: Within ninety (90) days after cancellation, ABAG POWER will pay to Public Agency the amount of its Credit Account as modified pursuant to Paragraph 9.2, less any debits imposed pursuant to Paragraph 9.1 and less any outstanding Actual Charges owed by Public Agency.

14. ABAG POWER Board of Directors: \_\_\_\_\_ (Name of Public Agency Representative) shall be the Public Agency's representative to the Board. The Board shall provide policy direction for the Program. The Board's powers shall include admission of new Participants and the extension of any contracts for the purchase of natural gas and/or related services under rules and procedures adopted by the Board.



15. Approvals: The Public Agency Representative may grant any approval, or give any direction required by this Agreement, in writing or orally. Written approvals or directions may be transmitted physically, by facsimile or electronically. Oral approvals will be confirmed in writing by either party.

16. Attorneys' Fees: In the event either party invokes its right to arbitration under Section H of Exhibit B due to an alleged breach of this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs as determined by the arbitrator.

17. Ownership of Files, Reports, Photographs, and Related Documents: Upon termination of the Agreement, any and all files, reports, photographs, plans, specifications, drawings, data, maps, models and related documents respecting in any way the subject matter of this Agreement, whether prepared by ABAG POWER, the Public Agency or third parties and in whatever media they are stored shall remain or shall become the property of the Public Agency and the Public Agency shall acquire title to, and copyright ownership of, all such documents. The Public Agency hereby grants to ABAG POWER an irrevocable license to retain a copy of all records covered by this paragraph for ABAG POWER's files.

18. Indemnity: Public Agency shall indemnify and hold harmless ABAG, ABAG POWER and their respective directors, officers, member agencies, agents and employees from and against all claims, damages, losses and expenses including attorney's fees arising out of or resulting from the performance or non-performance of the services required by this Agreement, unless such is caused by the negligence of ABAG, ABAG POWER or their respective directors, officers, member agencies, agents or employees.

19. Assignment/Security Arrangements: Public Agency hereby acknowledges that ABAG POWER may, in order to finance security deposit and cash flow deficits incurred in connection with the operation with this Program, incur short-term debt which may be secured by an assignment, encumbrance or hypothecation of this Agreement and/or payments due hereunder.

20. Notices: The following addresses for the giving of notices and billings shall be:

Public Agency Notices

Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Telephone No.: \_\_\_\_\_

Facsimile No.: \_\_\_\_\_

Email: \_\_\_\_\_

Attn.: \_\_\_\_\_

Public Agency Billing Address

Name: \_\_\_\_\_

Address:\_\_\_\_\_

Telephone No.: \_\_\_\_\_

Facsimile No.:\_\_\_\_\_

Email:\_\_\_\_\_

Attn.:\_\_\_\_\_

ABAG POWER Notices

ABAG  
P. O. Box 2050  
Oakland, CA 94604-2050  
Gerald L. Lahr, Program Manager  
Telephone No: 510-464-7908  
Facsimile No: 510-464-5508  
Email: JerryL@abag.ca.gov

21. Severability: If any provision of this Agreement or the application of any such provision shall be held by a court of competent jurisdiction to be invalid, void, or unenforceable to any extent, the remaining provisions of this Agreement and the application thereof shall remain in full force and effect and shall not be affected, impaired, or invalidated.

22. Captions: The captions appearing in this Agreement are inserted as a matter of convenience and in no way define or limit the provisions of this Agreement.

23. Other Contract Provisions: This Agreement shall be subject to the other standard provisions which are set forth in the attached Exhibit B, which is incorporated by this reference.

**IN WITNESS WHEREOF**, the parties have hereunto set their hands effective the date and year first above written.

**ABAG PUBLICLY OWNED ENERGY RESOURCES**

By:\_\_\_\_\_  
Eugene Y. Leong, President

Date: \_\_\_\_\_

Approved as to legal form and content:

By:\_\_\_\_\_  
Kenneth K. Moy, Legal Counsel

Date: \_\_\_\_\_

**PUBLIC AGENCY**

By: \_\_\_\_\_

Date: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_ (City Manager, County Administrator or other as designated  
by resolution)

Approved as to legal form and content:

By: \_\_\_\_\_

Date: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**EXHIBIT A**

**List of Facility Accounts**

**Name of Public Agency:** \_\_\_\_\_

	<b>PG&amp;E Account Number</b>	<b>Street Address</b>	<b>City</b>
1.	_____	_____	_____
2.	_____	_____	_____
3.	_____	_____	_____
4.	_____	_____	_____
5.	_____	_____	_____

**EXHIBIT B**  
**STANDARD CONTRACT PROVISIONS**

- A. **Time of Essence.** Time is of the essence in this Agreement.
- B. **Waiver.** The waiver by either party of a breach by the other of any provision of this Agreement shall not constitute a continuing waiver or a waiver of any subsequent breach either of the same or a different provision of this Agreement.
- C. **Controlling Law.** This Agreement and all matters relating to it shall be governed by the laws of the State of California.
- D. **Binding on Successors, Etc.** This Agreement shall be binding upon the successors, assigns, or transferees of ABAG POWER or Public Agency as the case may be. This provision shall not be construed as an authorization to assign, transfer, hypothecate, or pledge this Agreement other than as provided above.
- E. **Records/Audit.** ABAG POWER shall keep complete and accurate books and records of all financial aspects of its relationship with Public Agency in accordance with generally-accepted accounting principles. ABAG POWER shall permit authorized representatives of Public Agency and/or any of Public Agency's governmental grantors to inspect, copy, and audit all data and records of ABAG POWER relating to its performance of services under this Agreement. ABAG POWER shall maintain all such data and records intact for a period of three (3) years after the date that services are completed hereunder or this Agreement is otherwise terminated.
- F. **Prohibited Interest.** Neither ABAG, ABAG POWER or their respective directors, officers, employees or agents shall solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to subcontracts.
- G. **Insurance Requirements.**
- (1) ABAG shall, at its own expense, obtain and maintain in effect at all times during the life of this Agreement the following insurance:
- (a) Workers' compensation insurance as required by law.
- (b) Comprehensive general liability insurance coverage of One Million Dollars (\$1,000,000) in the aggregate for products and/or completed operations and One Million Dollars (\$1,000,000) per occurrence for automobiles.
- (c) Professional liability insurance with minimum liability limits of Two Million Dollars (\$2,000,000) in the aggregate.
- (2) All ABAG's insurance policies shall contain an endorsement providing that written notice shall be given to Public Agency at least thirty (30) days prior to termination, cancellation, or reduction of coverage in the policy or policies, and all policies shall be carried by an insurance company or companies acceptable to Public Agency.

(3) In addition, each policy or policies of insurance described in subparagraph (2) above shall contain an endorsement providing for inclusion of Public Agency and its directors, officers, agents, and employees as additional insureds with respect to the work or operations in connection with this Agreement and providing that such insurance is primary insurance and that no insurance of Public Agency will be called upon to contribute to a loss.

(4) Promptly upon execution of this Agreement, ABAG shall deliver to Public Agency certificates of insurance evidencing the above insurance coverages. Such certificates shall make reference to all provisions or endorsements required herein and shall be signed on behalf of the insurer by an authorized representative thereof. ABAG agrees that at any time upon written request by Public Agency to make available copies of such policies certified by an authorized representative of the insured.

(5) The foregoing requirements as to types and limits of insurance coverage to be maintained by ABAG and approval of policies by Public Agency are not intended to, and shall not, in any manner limit or qualify the liabilities and obligations otherwise assumed by ABAG pursuant to this Agreement, including, but not limited to, liability assumed pursuant to ABAG's insurance policies under Subsections (1)(b) of this section.

(6) ABAG shall require all subcontractors to comply with the insurance requirements described in Section G(1)(a)-(c), inclusive.

H. **Arbitration.** Any dispute between ABAG POWER and the Public Agency regarding the interpretation, effects, alleged breach of powers and duties arising out of this Agreement shall be submitted to binding arbitration. The arbitrator shall be selected by agreement between the parties by lot from a list of up to six (6) arbitrators with each party submitting up to three (3) arbitrators.

ABAG POWER Natural Gas Pool 2015-16  
Trueup

	Master Acct ID	Total Usage FY 2015-16 (therms) (1)	ABAG POWER Costs (2)	Gas Storage Costs (3)	PG&E Costs (4)	PG&E Cost True- up to financials (5)	Total Costs	Total Levelized Charges	Total Adjustment (6)
<b>Core</b>									
Alameda, City	ALAACPC001	91,509	\$ 33,514.66	\$ 1,419.41	\$ 58,626.90	\$ (1,056.94)	\$ 92,504.04	\$ 138,000.00	\$ (45,495.96)
Alameda Pwr & Telecom	ALAACPC002	913	334.32	14.16	746.29	(13.45)	1,081.31	1,560.00	(478.69)
Alameda City Housing Authority	ALAACPC003	46,317	16,963.20	718.43	41,317.18	(744.87)	58,253.93	56,160.00	2,093.93
Albany, City	ALBACPC001	10,413	3,813.57	161.51	7,284.37	(131.32)	11,128.13	12,360.00	(1,231.87)
Atherton, Town	ATHACPT001	3,954	1,448.29	61.34	3,881.55	(69.98)	5,321.21	3,960.00	1,361.21
Benicia, City	BENACPC001	56,979	20,868.41	883.82	36,421.32	(656.61)	57,516.94	64,680.00	(7,163.06)
Contra Costa County GSD	CONACPN001	1,219,567	446,660.58	18,916.98	560,796.93	(10,110.16)	1,016,264.32	1,354,680.00	(338,415.68)
Cupertino, City	CUPACPC001	33,263	12,182.44	515.95	21,990.47	(396.45)	34,292.41	37,800.00	(3,507.59)
Fremont, City	FREACPC001	161,422	59,120.08	2,503.86	98,413.01	(1,774.21)	158,262.74	197,280.00	(39,017.26)
Golden Gate Bridge	GOLACP0001	50,650	18,550.33	785.64	29,699.56	(535.43)	48,500.11	55,680.00	(7,179.89)
Gonzales, City	GONACPC001	3,123	1,143.76	48.44	2,754.38	(49.66)	3,896.92	8,400.00	(4,503.08)
Half Moon Bay, City	HALACPC001	4,970	1,820.16	77.09	3,547.56	(63.96)	5,380.86	5,160.00	220.86
Hercules, City	HERACPC001	36,705	13,442.85	569.33	22,815.14	(411.32)	36,416.01	30,240.00	6,176.01
Los Altos, City	LOSACPC001	26,715	9,784.20	414.38	17,912.46	(322.93)	27,788.11	25,800.00	1,988.11
Mill Valley, City	MILACPC001	47,390	17,356.53	735.08	30,442.22	(548.82)	47,985.02	58,080.00	(10,094.98)
Millbrae, City	MILACPC003	44,729	16,381.83	693.80	27,657.37	(498.61)	44,234.39	42,360.00	1,874.39
Millbrae, City - 400 E. Millbrae Ave.	MILACPC004	127,671	46,758.88	1,980.33	6,686.08	(120.54)	55,304.75	137,160.00	(81,855.25)
Milpitas, City	MILACPC002	113,774	41,669.11	1,764.77	64,583.59	(1,164.33)	106,853.15	184,680.00	(77,826.85)
Monte-Sereno, City	MONACPC001	730	267.36	11.32	682.23	(12.30)	948.62	840.00	108.62
Moraga, Town	MORACPT001	4,568	1,673.08	70.86	3,219.55	(58.04)	4,905.45	4,800.00	105.45
Napa County - Airport	NAPACPN001	1,270	465.18	19.70	961.16	(17.33)	1,428.72	1,320.00	108.72
Napa County - HHS	NAPACPN002	17,962	6,578.55	278.61	11,845.94	(213.56)	18,489.54	19,200.00	(710.46)
Napa County - Library	NAPACPN004	11,536	4,225.07	178.94	7,533.13	(135.81)	11,801.33	9,480.00	2,321.33
Napa County - Various	NAPACPN005	81,519	29,856.08	1,264.47	44,209.31	(797.01)	74,532.84	78,240.00	(3,707.16)
Oakland, City	OAKCPC001	670,392	245,527.70	10,398.59	402,752.82	(7,260.91)	651,418.21	688,560.00	(37,141.79)
Oakland Zoological	OAKCPC002	13,319	4,877.84	206.59	11,012.67	(198.54)	15,898.56	11,760.00	4,138.56
Orinda, City	ORACPC001	6,021	2,205.24	93.40	4,390.15	(79.15)	6,609.64	10,920.00	(4,310.36)
Pacifica, City	PACACPC001	26,275	9,623.03	407.55	18,555.32	(334.52)	28,251.39	25,080.00	3,171.39

ABAG POWER Natural Gas Pool 2015-16  
Trueup

	Master Acct ID	Total Usage FY 2015-16 (therms) (1)	ABAG POWER Costs (2)	Gas Storage Costs (3)	PG&E Costs (4)	PG&E Cost True- up to financials (5)	Total Costs	Total Levelized Charges	Total Adjustment (6)
Petaluma, City	PETACPC001	19,663	7,201.38	304.99	13,205.66	(238.07)	20,473.96	21,240.00	(766.04)
Pleasanton, City	PLEACPC001	165,035	60,443.25	2,559.89	89,356.35	(1,610.93)	150,748.56	161,520.00	(10,771.44)
Regional Admin. Facility	RAFACPC001	48,478	17,754.72	751.95	28,092.46	(506.46)	46,092.67	62,160.00	(16,067.33)
Richmond, City	RICACPC001	390,983	143,195.69	6,064.63	195,479.89	(3,524.15)	341,216.06	333,960.00	7,256.06
Salinas, City	SALACPC001	70,037	25,650.66	1,086.36	46,615.90	(840.40)	72,512.52	74,400.00	(1,887.48)
San Carlos, City	SANACPC003	49,375	18,083.31	765.86	30,775.76	(554.83)	49,070.10	53,280.00	(4,209.90)
San Mateo County - Public Works	SANACPC006	373,382	136,749.33	5,791.61	184,831.03	(3,332.17)	324,039.80	589,320.00	(265,280.20)
San Mateo County - Hospital	SANACPC007	634,246	232,289.33	9,837.92	211,704.52	(3,816.65)	450,015.12	695,160.00	(245,144.88)
San Mateo County - Parks & Rec	SANACPC008	5,535	2,027.03	85.85	5,216.96	(94.05)	7,235.78	5,160.00	2,075.78
San Mateo County - Central Library	SANACPC009	2,747	1,006.01	42.61	2,009.72	(36.23)	3,022.10	3,360.00	(337.90)
San Mateo County - Hospital	SANACPC011	9,748	3,570.03	151.20	6,195.54	(111.69)	9,805.07	28,080.00	(18,274.93)
San Mateo County - Cordilleras Mental H	SANACPC013	52,049	19,062.69	807.34	25,770.97	(464.60)	45,176.40	55,440.00	(10,263.60)
San Mateo County - Public Works	SANACPC015	59,750	21,883.00	926.79	28,586.68	(515.37)	50,881.10	49,920.00	961.10
San Mateo County - Airport	SANACPC016	7,181	2,630.09	111.39	4,352.84	(78.47)	7,015.85	7,440.00	(424.15)
San Rafael, City	SANACPC001	70,957	25,987.62	1,100.63	45,101.41	(813.10)	71,376.56	77,160.00	(5,783.44)
Santa Clara County	SANACPN001	754,531	276,343.16	11,703.69	405,438.59	(7,309.33)	686,176.11	809,280.00	(123,103.89)
Santa Rosa, City	SANACPC005	260,607	95,445.88	4,042.33	123,805.79	(2,232.00)	221,062.00	293,760.00	(72,698.00)
Saratoga, City	SARACPC001	10,887	3,987.30	168.87	7,392.55	(133.27)	11,415.44	10,440.00	975.44
Union City	UNIACPC001	8,854	3,242.90	137.34	6,169.08	(111.22)	9,438.10	7,920.00	1,518.10
Vallejo, City	VALACPC001	55,366	20,277.54	858.80	34,586.04	(623.52)	55,098.85	217,080.00	(161,981.15)
Vallejo Sani.& Flood Control Dist	VALACPD001	91,199	33,401.18	1,414.61	29,534.49	(532.45)	63,817.83	108,720.00	(44,902.17)
Watsonville, City	WATACPC001	66,641	24,407.12	1,033.69	41,970.90	(756.66)	66,655.05	64,920.00	1,735.05
Winters, City	WINACPC001	2,386	874.02	37.02	1,849.58	(33.34)	2,727.27	2,280.00	447.27
TOTAL - Core		6,123,292	\$ 2,242,625.58	\$ 94,979.73	\$ 3,108,781.37	\$ (56,045.74)	\$ 5,390,340.94	\$ 6,996,240.00	\$ (1,605,899.06)
	Core True-up Rate		\$0.3818				\$0.8803		



ABAG POWER Natural Gas Pool 2015-16  
Trueup

		Total Usage FY 2015-16 (therms) (1)	ABAG POWER Costs (2)	Gas Storage Costs (3)	PG&E Costs (4)	PG&E Cost True- up to financials (5)	Total Costs	Total Levelized Charges	Total Adjustment (6)
Master Acct ID									
<b>Non-Core</b>									
San Mateo County	SANACPC014	473,377	173,372.00	-	-	-	173,372.00	167,040.00	6,332.00
Santa Rosa, City (Co-gen)	SANACPC012	91,138	33,378.84	-	-	-	33,378.84	30,960.00	2,418.84
Watsonville, City (Co-gen)	WATACPC002	167,498	61,345.32	-	-	-	61,345.32	98,880.00	(37,534.68)
TOTAL - Noncore		732,013	\$ 268,096.17	\$ -	\$ -	\$ -	\$ 268,096.17	\$ 296,880.00	\$ (28,783.83)
			\$ 0.3662						
GRAND TOTAL (Core + Noncore)		6,855,305	\$ 2,510,721.75	\$ 94,979.73	\$ 3,108,781.37	\$ (56,045.74)	\$ 5,658,437.11	\$ 7,293,120.00	\$ (1,634,682.89)
								Master Accounts w/ Credit Total:	\$ (1,682,071.11)
								Master Accounts w/ Debit Total:	\$ 47,388.22

Notes:

- (1) Actual usage based on meter read data from PG&E, prorated to calendar months. Data is current as of 10/12/16.
- (2) Annual ABAG POWER program costs, less storage costs and interest income, prorated to members based on usage.
- (3) Storage costs allocated to core accounts only, based on usage.
- (4) Actual PG&E pass-through costs received via EDI, prorated to calendar months. Includes: Customer Charge, Transportation Charge and Public Purpose Program charge. Data is current as of 10/12/16.
- (5) Timing differences between when PG&E charges show up on a customer's bill and when the charges are paid by ABAG POWER create a difference between the year-end amounts shown on the financial reports and the total amounts billed. This difference is allocated to members in order to reconcile with the official financial statements.
- (6) Booked on Balance Sheet as "Unearned Energy Revenues."