



SUMMARY MINUTES

**ABAG POWER Executive Committee
Regular Meeting 2018-02**

April 18, 2018

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

WELCOME AND INTRODUCTIONS

Chair Tonya Gilmore opened the meeting with introductions at 11:00 AM.

Present Committee Representatives

Chris Schroeder
Dave Brees (Vice Chair)
Misty Mersich
Tonya Gilmore (Chair)

Jurisdiction/Agency

City of Milpitas
City of Los Altos
City of Cupertino
City of Orinda

Absent Committee Representatives

Angela Walton
Melissa Morton

City of Richmond
Vallejo Flood & Wastewater District

Guests Present

Dan Schoenholz

City of Fremont

Staff Present

Adrienne Weil
Brad Paul
Debbie Atmaja
Jenny Berg
Jerry Lahr
Karen Kristiansson
Ryan Jacoby
Sonia Elsonbaty

Metropolitan Transportation Commission (MTC)
MTC
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PUBLIC COMMENTS & ANNOUNCEMENTS

There were no public comments.

APPROVAL OF SUMMARY MINUTES OF FEBRUARY 21, 2018 EXECUTIVE COMMITTEE MEETING

Motion was made by Schroeder/S/Brees/C/4:0:0 to approve as proposed the Summary Minutes of the February 21, 2018 Executive Committee meeting.

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



The nay votes were: None.

Abstentions were: None.

Absentees were: Morton, Walton.

ABAG-ABAG POWER MEMORANDUM OF UNDERSTANDING

Lahr provided the ABAG-ABAG POWER Memorandum of Understanding signed by both parties. The agreement was approved at the February 21, 2018 Executive Committee meeting.

REPORT ON NATURAL GAS PROGRAM

Executive Committee Membership

Lahr informed members of recent communication with delegates from Contra Costa and Santa Clara Counties and the City of Half Moon Bay regarding membership on the Executive Committee. He reminded the committee that the composition of Chair, Vice Chair, and three directors is the minimum number of participants required by the ABAG POWER Bylaws.

Gilmore provided a suggestion for staff to contact the City of Benicia, and Schroeder recalled recent conversations with a past employee of the County of Alameda, but no identifying information was provided.

Monthly Summary of Operations FY 2017-18

Lahr provided members with the Monthly Summary of Operations reports for FY 2017-18; members were updated on the percentage savings comparisons with PG&E. Lahr noted that financial statements through February, 2018 indicated a cumulative savings figure of -7.6%.

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 current and historical gas prices.

NATURAL GAS PRICE ANALYSIS

Lahr presented the findings of a staff analysis which determined whether various historical fixed-price gas purchases resulted in savings when compared to purchasing on the monthly and daily indices. In addition, he presented a ten-year comparison of Pacific Gas & Electric Company's small commercial procurement rate – the rate which most POWER members would pay if they were a customer of PG&E – and the Natural Gas Intelligence First of Month market index. Lastly, he stated that staff would begin investigating methods to utilize additional pipeline transportation options that may improve the ability of ABAG POWER to meet its goal of cost savings.

Motion was made by Brees/S/Schroeder/C/4:0:0 to approve as proposed the staff recommendation to modify the gas purchasing strategy to move exclusively into the short-term (monthly and daily) index-based market, beginning July 1, 2018.



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

The nay votes were: None.

Abstentions were: None.

Absentees were: Morton, Walton.

ABAG POWER REGULATORY ASSISTANCE

Lahr provided ABAG POWER's regulatory and legal involvement during the current fiscal year, and presented a proposal to increase ABAG POWER's Fiscal Year 2017-18 budget to provide increased legal assistance on regulatory issues.

Motion was made by Mersich/S/Schroeder/C/4:0:0 to increase the approval Fiscal Year 2017-18 budget by \$5,000 to permit increased involvement in PG&E's 2019 Gas Transmission & Storage Rate Case via the Core Transport Agent Consortium.

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

The nay votes were: None.

Abstentions were: None.

Absentees were: Morton, Walton.

PRELIMINARY FISCAL YEAR 2018-19 OPERATING BUDGET

Staff presented a preliminary operating budget for Fiscal Year 2018-19, noting:

1. An increase in the audit fees from \$8,400 to \$77,875 due to a change of the audit firm to PricewaterhouseCoopers, which will provide annual financial and compliance audit services for MTC, ABAG, and ABAG's related entities, including POWER
2. The use of "Top of Range" MTC personnel rates for staff support
3. A seven percent gas commodity adder (decreased from 10% used in prior years)

OTHER BUSINESS

Gilmore expressed interest in staff offering a routine teleconference option for Executive Committee meetings. Staff agreed to re-examine whether the existing policies and procedures are sufficient for Brown Act teleconference meetings under MTC's rules for meeting administration.

ADJOURNMENT

Chair Gilmore adjourned the meeting at 12:29 PM.

*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.