



SUMMARY MINUTES

ABAG POWER Executive Committee
Regular Meeting 2017-02
April 19, 2017

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

WELCOME AND INTRODUCTIONS

Committee member Chris Schroeder opened the meeting with introductions at 11:13 AM.

Present Committee Representatives

Angela Walton
Chris Schroeder
Dave Brees
Tonya Gilmore (Vice Chair)

Jurisdiction/Agency

City of Richmond
City of Milpitas
City of Los Altos
City of Orinda

Absent Committee Representatives

Julie Bueren (Chair)
Melissa Morton
Mintze Cheng

County of Contra Costa
Vallejo Sanitation & Flood Control District
City of Union City

Guests Present

Misty Mersich

City of Cupertino

Staff Present

Jerry Lahr
Ryan Jacoby
Courtney Ruby
Ken Moy

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PUBLIC COMMENTS & ANNOUNCEMENTS

There were no public comments.

APPROVAL OF SUMMARY MINUTES OF DECEMBER 14, 2016.

Motion was made by Schroeder/S/Walton/C/4:0:0 to approve the Summary Minutes of the February 15, 2017 Executive Committee meeting.

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

The nay votes were: None.



Abstentions were: None.

Absentees were: Bueren, Morton, Cheng.

ABAG/MTC STAFF CONSOLIDATION

Memo from ABAG POWER Chair

Lahr provided a memorandum dated March 20 commenting on the March 15 draft of the Contract for Services (CS) between ABAG and the Metropolitan Transportation Commission.

The memorandum expressed several comments and concerns regarding the current draft of the CS, including 1) noting its inability to legally bind ABAG POWER to the provisions of the agreement without ABAG POWER's explicit agreement; 2) required timing and written notification of changes in employee status or termination; 3) treasury functions; and 4) reiterating the program's cost-sensitive nature, given the currently unknown financial impacts of the consolidation.

Response Memo from ABAG Executive Management Team

On behalf of ABAG's Executive Management Team, Moy presented a response to the above referenced memorandum which proposed ABAG enter a memorandum of understanding (MOU) with POWER to explicitly address the concerns of ABAG POWER. Moy stated his intent to draft the MOU in the coming weeks, for presentation to, and review by the ABAG POWER Executive Committee.

REPORT ON NATURAL GAS PROGRAM

Monthly Summary of Operations FY 2016-17

Lahr provided members with the Monthly Summary of Operations reports for FY 2016-17; members were updated on the percentage savings comparisons with PG&E. Lahr noted that financial statements for February, 2017 indicated a cumulative savings figure of -3.3%.

Gas Hedge Chart

Lahr provided information on the various current long-term gas purchases (contracts which are greater than one month in length). The group discussed potential pricing opportunities afforded by current futures indices.

Market Price Chart

Lahr provided information on gas prices.

Preliminary 2017-18 Operating Budget

Lahr and Ruby presented a preliminary FY 2017-18 Operating Budget, indicating decreases in program expenses and the program's total core rate. Staff noted that although ABAG Fees are generally expected to decrease as compared to FY 2016-17, the staff rate impacts of the MTC-ABAG staff consolidation remain under discussion.



NATURAL GAS SCHEDULING AGENT RFP

Staff presented the results of the Request for Proposals (RFP) for Gas Scheduling Services and a recommendation to negotiate a contract for scheduling services with DMJ Gas Marketing Consultants, LLC for the period July 1, 2017 to June 30, 2019, with an option to extend the contract for up to three years, exercisable at ABAG POWER's discretion.

Motion was made by Brees/S/Schroeder/C/4:0:0 to approve the recommendation determined by staff and the Proposal Review Committee to enter into negotiations with DMJ to enter a contract for gas scheduling services in accordance with the terms of the RFP.

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

The nay votes were: None.

Abstentions were: None.

Absentees were: Bueren, Cheng, Morton.

CORE TRANSPORT AGENT (CTA) REGULATIONS

Lahr reminded the committee members of SB 656, which became effective on January 1, 2014 and established a regulatory framework for CTAs by implementing various consumer protections measures, resulting in the addition of Sections 980 to 989.5 to the state's Public Utilities Code (PUC). As a public agency, ABAG POWER is exempt from many, but not all of the statutory requirements associated with this proceeding.

Lahr noted that a 'Scoping Memo' had recently been released to address a number of other consumer protections safeguards imposed on CTAs by SB 656. He called attention to PUC § 985, which states that certain minimum standards must be adopted by "the governing body of a public agency offering gas services to core gas customers within its jurisdiction." He recommended staff review current program policies and draft a resolution adopting rules in compliance with the minimum standards in PUC § 985.

ENERGY PROGRAMS UPDATE

Lahr summarized the recent accomplishments and goals of the Bay Area Regional Energy Network (BayREN), BayREN Integrated Commercial Retrofits (BRICR), and the Berkeley Energy Assurance Transformation (BEAT). Local Community Choice Aggregation efforts were also discussed.

ADJOURNMENT

Vice Chair Tonya Gilmore adjourned the meeting at 12:42 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.