

**Port of Oakland Comments on the 2017-18 Transmission Planning Process**  
**Preliminary Reliability Assessment Results and PTO Request Window**  
**Submissions**

The Port of Oakland (Port) appreciates the opportunity to comment during the development of the 2017-18 Transmission Plan. The comments and questions below address focus on the Oakland Reliability Proposal (Proposal) presentation made by PG&E at the CAISO Stakeholder meeting on September 21-22, 2017.

**Issue Summary**

The existing Downtown/West Oakland Area, which includes the Port's Seaport area is made up of two sub-areas, each fed by separate 115 kV networks. Each sub-area is primarily fed from Moraga Substation. The stations served in each of these sub-areas are identified in Table 1. The Port's Maritime Substation is normally served from PG&E Station C. The Port and its tenants also have significant loads from PG&E Station L through PG&E's retail service.

Table 1

<b>Sub-area</b>	<b>Northern</b>
<b>Stations</b>	Stations K, X, D, C, L, Cartwright (AMP), Maritime (Port of Oakland) and Schnitzer Steel

To meet the Planning Standards, the northern sub-area depends on aging local generation and Special Protection Systems (SPSs) that drop load.

The CAISO Planning Standards were recently revised to no longer allow the long-term reliance on load dropping to meet the Planning Standards in high density urban areas such as Oakland. Also, both the Dynege CTs and NCPA CTs will have reached their 40-year planning life within the TPP planning horizon.

The Port and its tenants currently primarily uses electricity to power cranes, temperature controlled cargo, lights, and ships. The loss of electricity service in the Port's seaport would result in the loss of perishable goods that are waiting to be loaded onto a ship or waiting to be picked up, decrease in air quality from ships relying on ship engines and trucks waiting to get into the terminal, and complete stoppage of port activity. The Port anticipates that the expected loss of local generation will further adversely impact the quality of service that the Port receives and has repeatedly requested that a long-term transmission plan be developed to reliably serve the East Bay area.

### **PG&E's Oakland Reliability Proposal**

At the September 22 Stakeholder Meeting, PG&E presented its proposed Oakland Reliability Proposal to address the reliability deficiencies in the northern sub-area. The Proposal includes limited transmission upgrades (circuit breaker additions in Moraga and Station X substations and rerating the Moraga-Station K 115 kV circuits). The remainder of the reliability need is to be met by additional Distributed Energy Resources (DERs) such as Energy Efficiency (EE), Distributed Generation (DG) and Energy Storage (ES) as well as post-contingency transferring of AMP load from Station C to Station J.

### **Port's Concern**

While the Port generally supports the consideration of using local resources to help mitigate the CAISO and PG&E's rapidly increasing Transmission Access Charge costs, the Port has some serious concerns with the Proposal. Foremost, the PG&E Proposal fails to address the local capacity needs of the local area and hinges its reliability on assumptions that a set of DERs will be fully available to meet local needs and a transfer of AMP load from Station C to Station J. This Proposal disadvantages municipal wholesale customers in Alameda and at the Port of Oakland from a reliability perspective, relative to PG&E's own retail customers.

1. The current Proposal lacks critical operational detail as to how the Proposal would be implemented. While PG&E proposes a portfolios of options to reduce the loading, the Port is concerned about the availability of the DERs when they are called on and thus lack assurances that our loads would be met by the existing transmission system.
2. The Proposal lacks mandatory quarterly reporting on the performance of all non-traditional Proposal components. Such reporting should include, but not limited to:
  - a. Specific identification of the preferred set of resources that will be used to implement the Proposal and attestations that the supporting contracts have been executed
  - b. Completion status of operational procedures associated with each preferred resource needed to implement the Proposal
  - c. Performance reporting
    - i. The frequency of preferred resource use to address transmission contingencies in the sub-area.
    - ii. Numbers of successful and failed deployments
    - iii. Hours and magnitude of emergency overload conditions incurred
    - iv. Customer load hours interrupted due to failures of preferred resources or failures of operational practices developed as part of the Proposal. Note: customer loads should be calculated as the number of customers within the Port of Oakland, Alameda, and Schnitzer Steel.

- d. Procurement status of the front of the meter preferred resources that will be used in the Proposal
- e. Development of a project schedule that identifies the removal of all SPSs in the load pocket, along with an attestation that the SPSs have been removed
- f. Development of a critical path back up plan that identifies how design, permitting and construction will be accomplished by 2022 in the event the experimental Proposal is terminated based on preferred resource cost (making the project uneconomic) or unavailability, thus rendering the Proposal infeasible.

In addition to the above concerns on the reliance on DERs, AMP load transfers and AMP load dropping, the Port has additional concerns such as:

1. Lack of a coherent publically available substation design criteria. NCPA has filed an order 890 complaint against PG&E because some 60% of PG&E's transmission projects, where costs are recovered through the CAISO TAC charge, were not undergoing any type of external stakeholder review. While efforts to develop a transmission planning process for these projects is still in development, the Port understands that NCPA staff remain concerned that substation design criteria for rehabilitation projects being performed outside of the CAISO TPP are significantly upgraded over what PG&E has proposed in this project, providing greater reliability and resiliency for PG&E's retail customers as opposed to what has been proposed here for PG&E's municipal wholesale customers.
2. The Port is concerned that the load forecast driving the quantity of Preferred Resources procured is understated. PG&E has indicated that it expects the load served from Stations L and C to peak in 2022 and decline thereafter. Considering only the non-PG&E load within this sub-area, one needs to look no further than vast amount of undeveloped ex-military property, or to the types of energy uses/transportation electrification potential at the Port of Oakland to be concerned that the PG&E load forecast has not fully considered the load potential of these non-PG&E loads. In recent filings with the CPUC, both Southern California Edison and San Diego Gas and Electric included in their proposed transportation electrification plans specific elements for ports in their service areas. PG&E has nothing planned for any ports in the Bay Area.
3. The preferred portfolio contains extremely ambitious DG and EE targets. The preferred portfolio relies on base case DG and EE increases of approximately 25-30 MW installed during the next 5-year period *over and above* the targets built into the base load forecast. In addition, with the launch of the Alameda County CCA, East Bay Clean Energy, it is unclear who will have ultimate responsibility to achieve these results and as such PG&E should not be making commitments at this time.

### **Port Position on the PG&E's Oakland Reliability Proposal**

While the Port generally encourages efforts to mitigate the rising pressure on the TAC and is generally supportive of the Oakland Clean Energy concept, the Port is concerned the Oakland

Clean Energy Proposal fails to adequately address the transmission needed to support California's mandate on increasing electrification, especially in the Oakland area.

The Port recommends that the CAISO consider "wired" alternatives in addition to the Oakland Clean Energy Proposal that will provide appropriate Transmission Service for the anticipated loads from increasing port and transportation electrification and to provide reliability and resiliency levels to the municipal wholesale customers in the Downtown/West Oakland Area and PG&E's retail customers including the Port of Oakland and our tenants.

If you have any questions concerning these comments, please contact Basil Wong (510) 627-1509 and [bwong@portoakland.com](mailto:bwong@portoakland.com).