



AGENDA REPORT

PROPOSED ACTION:

Resolution: Approve and Authorize the Executive Director to Submit an Attestation of the Veracity of the Port’s Power Source Disclosure Report and the Power Content Label to the California Energy Commission for Calendar Year 2022 (**Executive Office**)

Submitted By: Kristi McKenney, Chief Operating Officer; Danny Wan, Executive Director

Parties Involved: California Energy Commission, Sacramento, CA

Amount: N/A

EXECUTIVE SUMMARY:

Annually, the Port of Oakland (Port) is required by the California Energy Commission (CEC) to provide a Power Source Disclosure Report and a Power Content Label, both of which disclose the fuel mix of the Port’s electricity products for its retail electric sales.

BACKGROUND & ANALYSIS

The Port, as a retail supplier providing electric service, is required by the California Public Utilities Code and the CEC to disclose the fuel mix (i.e. eligible renewables, coal, large hydroelectric, natural gas, nuclear, etc.) of its electricity products sold to its retail customers on an annual basis in the form of a Power Source Disclosure Report to the CEC and a Power Content Label (on a CEC template) to its retail customers. Following the development of the Power Source Disclosure Report and Power Content Label, pursuant to CEC guidelines, the governing body of a local publicly owned electric utility must approve the submission of an attestation of the veracity of the Power Source Disclosure Report and the Power Content Label to the CEC. Renewable energy includes energy sources such as solar, wind, geothermal, and biomass but does not include large hydropower resources in California.

The attached exhibits show the Port’s Power Source Disclosure Report submitted to the CEC in June 2023. Schedule 1 shows the sources of generation, fuel type, and quantity of generation purchased from a specified facility. Port Staff reconciled the specified sources of generation against an independent energy tracking system. Energy purchases whose source are not specified, such as wholesale market purchases, are accounted for as “Unspecified Power.” Schedule 2 displays the retired unbundled Renewable Energy Certificates by facility name. Schedule 3 shows the Power Content Label, which is then provided to customers and posted on the Port’s website. In 2022, 17.3% of the energy sold to its tenants and supplied for Port’s usage came from renewable energy resources and 12.1% from large hydropower resources. Together, 29.4% of the Port’s energy was renewable and zero-carbon.

In 2022, the Port confronted a variety of issues resulting in there being insufficient supplies of renewable resources compared to desired, orders of magnitude higher prices for renewables (as much as three times as high), as well as supply chain and pandemic-

related impacts that affected the stability of and completion of projects in its renewable and carbon-free energy portfolio. In 2023 the market and Port's portfolio faces similar challenges, however Port Staff are seeking to achieve an increase in renewable and carbon-free. Port Staff are already purchasing renewable and carbon-free for 2024 and are striving for a target of approximately 50% from renewables and additional 25% from non-renewable carbon-free for a total of 75% carbon free. In subsequent years we will see additional long-term renewable resources the Port previously invested in developing come on line to increase the renewable portfolio.

OTHER FINDINGS AND PROVISIONS

ENVIRONMENTAL REVIEW

The proposed action was analyzed under the California Environmental Quality Act (CEQA) and was found to be:

- Categorically exempt under the following CEQA Guidelines Section:

Choose an item.

- Exempt from CEQA because it is not a "Project" under CEQA, as defined in Public Resources Code Section 21065.
- Other/Notes:

BUDGET

- Administrative (No Impact to Operating, Non-Operating, or Capital Budgets); OR
- Operating Non-Operating Capital

Analysis: Proposed action has no impact to FY 2024 adopted budget.

STAFFING

- No Anticipated Staffing Impact.
- Anticipated Change to Budgeted Headcount.

Reason:

- Other Anticipated Staffing Impact (e.g., Temp Help).

Reason:

MARITIME AND AVIATION PROJECT LABOR AGREEMENT (MAPLA):

Applies? No (Not Aviation or Maritime CIP Project) – proposed action is not covered work on Port's Capital Improvement Program in Aviation or Maritime areas above the threshold cost.

- Additional Notes:

LIVING WAGE (City Charter § 728):

Applies?

No (No Covered Agreement) – proposed action is not an agreement, contract, lease, or request to provide financial assistance within the meaning of the Living Wage requirements.

- Additional Notes:

SUSTAINABLE OPPORTUNITIES:

Applies? **Yes.**

Reason: The Port continues to purchase renewable energy when possible, demonstrating our commitment to sustainability.

GENERAL PLAN (City Charter § 727):

Conformity Determination:

No Project – conformity determination not required because proposed action does not change use of or make alterations to an existing facility, or create a new facility.

STRATEGIC PLAN. The proposed action would help the Port achieve the following goal(s) and objective(s) in the Port's Strategic Business Plan:

- Grow Net Revenues
- Modernize and Maintain Infrastructure
- Improve Customer Service
- Pursue Employee Excellence
- Strengthen Safety and Security
- Serve Our Community
- Care for Our Environment