



PORT OF OAKLAND

11/30/2023

AGENDA REPORT

PROPOSED ACTION: **Ordinance:** Adopt Utility Rules and Regulations as Chapter 10.01 of the Port of Oakland Administrative Code (**Executive Office**)

Submitted By: Kristi McKenney Acting Executive Director

<u>Parties Involved:</u> Port and Port Tenants, Oakland, CA	<u>Amount:</u> N/A
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EXECUTIVE SUMMARY:

Port Staff proposes new rules and regulations governing the Port of Oakland's (Port) electric service as a public utility serving customers in the Port area. Staff proposes adding and adopting Chapter 10.01, Utility Rules and Regulations, to the Port of Oakland Administrative Code. The proposed rules and regulations will ensure uniform treatment and safe provision of electric service to all Port Utility Customers, consistent with best practices of publicly owned electric utilities.

BACKGROUND & ANALYSIS

The Port is a publicly owned utility supplying utility services to the Seaport and Airport. Port Utilities has over 300 utility service connections to customers operating within the Port area. The Port of Oakland is the only publicly owned utility within the state of California that also operates and serves an Airport and a Seaport.

Since 2018 Port staff has worked to create Chapter 10.01 Utility Rules and Regulations ("Rules and Regulations"). Chapter 10.01 outlines application, service change, billing, notice, rates, metering, access, interruption, standards, responsibility, and generation. Adoption of Chapter 10.01 will ensure uniform treatment, safe provision of Electric Service, and improve customer service. It is important for the Port to have uniform regulations that govern the manner in which the Port's electric utility conducts business for transparency, clarity, and safety. These rules will clarify, enhance, and codify the Port's utility practices. The Proposed Rules and Regulations are attached as Attachment A and a copy of the electric service application referenced in the rules are attached as Attachment B.

The following itemized list provides an overview and summary of the topic areas and requirements covered in the Rules and Regulations. Port Staff provided notice to its customers on October 19, 2023 via U.S. postal mail letter regarding this item, and a link/copy of the draft Rules and Regulations and instructions on how to provide comment and feedback. To date, staff hasn't received any questions or feedback on this item.

1. Applications for Electric Service (Sections 10.01.030 and 10.01.070). The Rules and Regulations include requirements for applicants seeking electric service. For

example, the Rules and Regulations provide that the Port may require customers to submit load estimates for their facilities, which helps the Port plan for current and future load needs. A supplemental application is also required for certain electric service needs, such as for service to substations maintained by a customer and electric service for construction. These application requirements help ensure safe and reliable start-up of electric service.

2. Grounds for Denial, Discontinuance, and Restoration of Electric Service (Section 10.01.040). The Rules and Regulations set forth the grounds for disconnecting and discontinuing electric service, to ensure safe and reliable services. Grounds for discontinuing electric service include unsafe and hazardous conditions, as well as power theft or tampering by a customer. Nonpayment of undisputed bills is also grounds for discontinuing service, and the Rules and Regulations provide an appeal procedure for disputing the Port's determinations to discontinue service, first to Port Utility Manager, then to the Chief Operating Officer or their designated hearing officer.
3. Billing and Payment of Bills (Section 10.01.050). The Rules and Regulations set forth uniform requirements for form of bills, billing periods, meter access for reading the meter, billing adjustments for meter errors, and payment of bills and past due amounts.
4. Notices (Section 10.01.060). The Rules and Regulations clarify how the Port and customers shall give notice to each other, including notices regarding changes in load estimates, to enhance and streamline Port communication with its customers.
5. Electric Rates and Rate Schedules (Section 10.01.080). This section provides that the rates to be charged and paid to the Port shall be the rates stated in the Port Utility Rate Schedule. The Port will be conducting a cost of service study in the near future to assess its rates, and any such new rates will be codified in the Port of Oakland Administrative Code. The Rules and Regulations also provide that a customer may request reassessment of their qualification for a particular rate schedule and provides a process for Customers to select the most appropriate rate.
6. Meters, Reads, Tests and Billing Adjustments (Section 10.01.090). The Rules and Regulations contain access requirements to meters, rules for meter tests and re-reads of meters, and rules regarding master meter service, including conditions for electric service for master meter service.
7. Port Distribution System (Section 10.01.100). The Rules and Regulations contain requirements governing new and expanded developments, such as the requirement for customers to demonstrate compliance and testing and verification prior to re-energizing electric service, as well as payment for relocation of Port electric equipment necessitated

by changes to an existing development. These Rules and Regulations were presented to the Board as an informational item on October 26, 2023.

8. Access, Interference, Power Theft or Tampering (Section 10.01.110). The Rules and Regulations provide for Port access to customers' premises to install, maintain and modify electric service on a customer's premises and reiterate that power theft and tampering are prohibited and grounds for discontinuation of electric service.

9. Shortage of Supply and Interruption of Delivery (Section 10.01.120). This section sets forth the rule that electric service is inherently subject to interruption, suspension, and curtailment, and provides that the Port may interrupt supply to protect and repair its system and for causes beyond its control.

10. Standard Electric Service (Section 10.01.130). This section describes the requirements for the Port's standard electric service, such as maintenance of service laterals, Port connection of service at the utility connection point, requirements for electric equipment furnished by customers, load balancing requirements, voltage limits, exceptions to voltage limits, among other things.

11. Responsibility for Equipment and Protective Devices (Section 10.01.140). This section describes customer responsibility for equipment and protective devices and provides a standard of care for electric equipment.

12. Interconnecting Generation Facilities and Parallel and Emergency Generation (Section 10.01.150). This section describes general requirements and operational standards for parallel generation, interconnection of non Port-owned generators, and emergency and standby generation equipment.

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.
- Not a “Project” under CEQA, as defined in Public Resources Code § 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 on 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? No.

Reason:

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:

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| <input type="checkbox"/> Grow Net Revenues | <input type="checkbox"/> Modernize and Maintain Infrastructure |
| <input type="checkbox"/> Improve Customer Service | <input type="checkbox"/> Pursue Employee Excellence |
| <input checked="" type="checkbox"/> Strengthen Safety and Security | <input type="checkbox"/> Serve Our Community |
| <input type="checkbox"/> Care for Our Environment | |