

July 29, 2021

Hon. Pete Buttigieg, Secretary
US Department of Transportation
1200 New Jersey Ave., SE
Washington, DC 20590

SUPPORT: PIDP Grant Request - Port of Oakland Electrical Utility Infrastructure Upgrade

Dear Secretary Buttigieg:

On behalf of the members of the Pacific Merchant Shipping Association (PMSA), I am pleased to offer our support of the grant application submitted to the Port of Oakland's \$11 million grant request to the U.S. Maritime Administration's Port Infrastructure Development Program (PIDP). PMSA represents ocean carriers, marine terminal operators, and other maritime industrial stakeholders conducting business at public ports on the US West Coast, including Oakland.

The PIDP grants are an opportunity for the federal government to advance sustainable transportation initiatives in the freight sector that are otherwise non-revenue producing, but which would nevertheless provide improvements to seaport operations. The Port of Oakland's grant request would provide such value as it would facilitate the construction of a \$20 million project which consists of a multi-functional modern 12 MW substation integrating renewable power generation to support expansion of the electric infrastructure necessary to power future utilization of the heavy-duty truck fleet and cargo handling equipment, as well as bolster power availability to the ships currently using at-berth electricity at the Port of Oakland. These are not only improvements which address critical operational demands but the upgrade will help the Port and its customers and partners, including PMSA members, improve air quality and the environment.

The new substation will replace a circa 1950s substation at the end of its operational life, provide demand management and resiliency by integrating new renewable energy sources consisting of a 2 MW fuel cell, 4 MW of solar generation and storage, and connectivity to a near-by publicly owned wastewater treatment plant biomass-powered generator. The new substation will be connected to other Port substations, which improves reliability of the power supply to the entire Seaport area. During power supply emergencies due events such as wildfires or extreme heat, the substation could also provide power to the local community, enhancing local grid resilience in the face of climate change.

The utilization of US DOT transportation infrastructure grants for these electrical infrastructure purposes are not unprecedented at the Port of Oakland. In fact, PMSA was pleased to support a Port of Oakland grant request which was successfully administered under US DOT's TIGER grant

process of a decade ago in which federal funds were used to help install some of the first shoreside power facilities in the country at the Port. As noted above, these are non-revenue producing infrastructure items, meaning that they are hard to finance for proprietary agencies like California seaports, but which nevertheless provide significant value both for operations and for environmental improvement.

PMSA supports the Port of Oakland PIDP grant application and we thank you for your consideration of this request.

Sincerely,

A handwritten signature in blue ink, appearing to read "Mike Jacob", is written over the printed name.

Mike Jacob
Vice President & General Counsel