

**MOTION
OF THE
PORT OF SEATTLE COMMISSION
IMPLEMENTING RECOMMENDATIONS OF THE ENERGY AND
SUSTAINABILITY COMMITTEE
AND
SETTING STRATEGIC GREENHOUSE GAS REDUCTION PRIORITIES**

**ADOPTED
OCTOBER 24, 2017**

PREAMBLE

This motion furthers the recommendation of the Port's Energy and Sustainability Committee, unanimously chartered by motion on January 26, 2016.

First, staff is instructed to develop an evaluation framework, the Sustainability Project Evaluation Framework, (Framework) which will inform Commission decision-making to advance of the Port's energy and sustainability initiatives by transparently documenting environmental and societal considerations associated with Commission actions.

Second, staff will select up to four pilot projects for approval by the Commission, to be used to identify the key environmental and societal components that will constitute the Framework.

Third, staff is instructed to explore a method of valuing and internalizing the external costs of carbon.

Fourth, Scope 2 carbon reduction goals are added to the Century Agenda, supplementing the previous addition of Scope 1 and Scope 3 goals, passed unanimously on April 11, 2017.

Fifth, to implement the above mentioned actions and more broadly advance the Port's energy and sustainability goals, three full-time employees (FTEs) will be added to the Port's Environment and Sustainability Center of Expertise (COE). The new FTEs will expand the Maritime program's focus from primarily regulatory

compliance to include environmental sustainability. It will also increase resources in Aviation Facilities and Infrastructure to meet the new Century Agenda goals.

Sixth, Port staff will coordinate with the Northwest Seaport Alliance, as appropriate.

TEXT OF THE MOTION

Moved, that the Port of Seattle shall take the following actions:

1. Develop a Port Sustainability Evaluation Framework to assist the Port in meeting its greenhouse gas reduction and sustainability goals.
2. Select up to four pilot projects, divided between the airport and maritime, beginning with a solar project on Pier 69, to identify how to incorporate the following environmental and societal components into a Framework to be used to more fully inform the Commission of project proposals including:
 - i. Reduce greenhouse gas emissions
 - ii. Increase energy resilience
 - iii. Protect public health and the environment
 - iv. Support local economic development
 - v. Advance racial and social equity
 - vi. Leverage partnerships
 - vii. Advance innovation
2. Evaluate and recommend methods for valuing and internalizing the external costs of carbon port-wide.
3. Dedicate sufficient staff resources to focus on sustainability efforts to meet the recently approved Century Agenda greenhouse gas emission goals and to implement the Committee recommendations.
4. Amend the Century Agenda to add Scope 2 goals. With the amendment, the greenhouse gas emission reduction goals will be as follows:

Scope 1 and 2 – Port Controlled and Port Indirect Emissions

- 15 percent below 2005 levels by 2020
- 50 percent below 2005 levels by 2030
- Carbon Neutral by 2050 OR Carbon Negative by 2050

Scope 3 – Port Influenced Emissions

- 50 percent below 2007 by 2030
- 80 percent below 2007 by 2050

5. Work with the Northwest Seaport Alliance through the Port of Seattle's Environment and Sustainability Center of Expertise to advance mutually shared goals, whenever practicable.
6. The COE is directed to present the four proposed pilot projects to the Commission within 90 days of passage of the 2018 Budget, to include a proposed timeline for completion of the pilot projects.
7. The COE will meet with key stakeholders across the Port including Project Management Group (PMG), Engineering, Finance and Investment, lease teams and other teams as necessary to implement and review the pilot projects. The pilot project results will be presented to Commission, with a recommended Policy Directive.
8. The COE will report progress twice yearly on the Century Agenda greenhouse gas emission reduction goals and will maintain a public facing environmental scorecard reflecting that progress.
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STATEMENT IN SUPPORT OF THE MOTION

The Port of Seattle Commission unanimously chartered the Energy and Sustainability Committee by motion on January 26, 2016. The charter tasked the Committee to develop and propose Policy Directives to help guide the development of policies to support the Port of Seattle's greenhouse gas (GHG) emissions reductions effort, with a focus on energy efficiency and alternative energy generation. Commissioners Felleman and Gregoire were named as Co-Chairs of the Committee.

The Committee established four subcommittees comprised of a broad range stakeholders to assist in developing the recommendations included in this Motion, and embedded in the descriptions of the new FTE's in attachment B. The first recommendation of the Committee was unanimously passed by the Commission in a motion on April 11, 2017, amending the Century Agenda to reflect the Commissions increased commitment to reducing greenhouse gas emissions. The 2017 budget also created a one-million dollar fund to support the recommendations of the Committee, including further greenhouse gas reductions, leveraging matching funds and collaborating with neighboring jurisdictions.

Sustainability Evaluation Framework

The Committee has reviewed and recommends a pilot program based on Attachment A - the Port Sustainability Evaluation Framework, to assist the Port of Seattle in achieving two primary goals. The goal of the Framework is to advance energy and sustainability initiatives that will reduce GHG emissions and increase the resilience of its energy systems. The Framework will include any current evaluation criteria, for example, return on investment or total cost of ownership.

A clear Sustainability Project Evaluation Framework will increase transparency of the Commission decision-making process. The Committee also recognizes that the Port's existing decision-making processes include consideration of environmental and social criteria, but the framework is intended to increase transparency both within Port decision-making processes and with the community. In the past, the factors considered and the final decision to pursue or reject a potential project may not always be elevated to the Port Commission. With this motion, these

factors will be evaluated and presented to Commission.

Valuing and internalizing the external costs of carbon

This item instructs staff to explore a method of creating internal financial incentives for carbon reduction, such as determining or calculating an internal cost of carbon, for Port programs and departments. This could be a tool to reduce port scope 1 and 2 carbon emissions.

Port-wide Sustainability Effort

Currently, the Port has a skilled environmental team focused on compliance with some dedicated sustainability expertise at the airport. The new FTE sustainability responsibilities are based on the recommendations of the Committee and a description of the responsibilities are included in Attachment B – Allocation of FTE and Consulting Resources.

The three FTEs supported by the Committee will focus exclusively on sustainability efforts:

1. Aviation Facilities & Infrastructure expert in energy conservation and production
2. Maritime Environmental expert in Maritime Air Emissions and Greenhouse Gas tracking and reduction (Climate Protection Program Manager)
3. Maritime Environmental expert in Sustainability, with an emphasis on Sustainable Design principles (Sustainable Development Specialist)

Scope 2 Goals

The addition of Scope 2 emissions was recommended by advisors to the Energy and Sustainability Committee and is a category of emissions that the Port has been working hard to reduce, including through green power purchases from Puget Sound Energy's Green Direct. Consistent with the Greenhouse Gas Protocols developed by the World Resources Institute and the World Business Council on Sustainable Development, Scope 2 goals are referred to as Energy Indirect GHG, and are defined by the Greenhouse Gas Protocol as 'emissions from the consumption of purchased electricity, steam, or other sources of energy... generated upstream from the organization.'