

A MOTION OF THE PORT OF SEATTLE COMMISSION

furthering recommendations of the Energy and Sustainability Committee; directing development of a Sustainability Evaluation Framework; providing for pilot projects to validate the framework; directing exploration of a method to value carbon costs; adding Scope 2 emission reduction goals to the Century Agenda; calling for implementation resources; providing for coordination with the Northwest Seaport Alliance; and requiring reporting.

**ADOPTED
DECEMBER 19, 2018**

INTRODUCTION

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 Evaluation Framework, (framework) which will inform commission decision-making to advance 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 validate 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, the Interim Executive Director will include adequate resources in the 2018 budget to to expand the Maritime program's focus from primarily regulatory compliance to include environmental sustainability and to support 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 test and validate the framework and determine how to incorporate the following environmental and societal components into the framework to be used to more fully inform the commission of project proposals including:

- a. Reduce greenhouse gas emissions
- b. Increase energy resilience
- c. Protect public health and the environment
- d. Support local economic development
- e. Advance racial and social equity
- f. Leverage partnerships
- g. Advance innovation

3. Evaluate and recommend methods for valuing and internalizing the external costs of carbon port-wide.

4. Adequately resource sustainability efforts to meet the recently amended Century Agenda greenhouse gas emission goals and to implement the Energy and Sustainability Committee recommendations.

5. Amend the Century Agenda to add Scope 2 goals. With the amendment, the greenhouse gas emission reduction goals will be as follows:

- a. Scope 1 emissions, which are direct greenhouse gas emissions from port-owned or controlled sources, shall be:
 - i. 15 percent below 2005 levels by 2020.
 - ii. 50 percent below 2005 levels by 2030.
 - iii. Carbon neutral by 2050 OR carbon negative by 2050.

b. Scope 2 emissions, which are indirect greenhouse gas emissions from consumption of purchased electricity, heat, or steam. The new Port-wide goals for Scope 2 shall be:

- i. 15 percent below 2005 levels by 2020.
- ii. 50 percent below 2005 levels by 2030.
- iii. Carbon neutral by 2050 OR carbon negative by 2050.

c. Scope 3 emissions, which are greenhouse gas emissions over which the port has influence, not direct control. The new port-wide goals for Scope 3 shall be:

- i. 50 percent below 2007 levels by 2030.
- ii. 80 percent below 2007 levels by 2050.

6. Work with the Northwest Seaport Alliance through the Port of Seattle's Environment and Sustainability Center of Expertise (COE) to advance mutually shared goals, whenever practicable.

7. 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.

8. The COE will meet with key stakeholders across the port including the Project Management Group (PMG), Engineering, Facilities and Infrastructure, 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.

9. 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.

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 emission reduction effort with a focus on energy efficiency and alternative energy generation. Commissioners Felleman and Gregoire were named as Co-Chairs of the committee. This motion is a culmination of those efforts.

The committee established four subcommittees comprised of a broad range of stakeholders to assist in developing the recommendations included in this motion, and embedded in the descriptions of the new FTEs 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 commission's increased commitment to reducing greenhouse gas emissions. The 2017 budget also created a \$1 million 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 greenhouse gas 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 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 Interim Executive Director has included resources in the 2018 budget to support the sustainability activities developed by the committee and staff per the April 11, 2017, "Motion Amending the Port of Seattle Century Agenda Greenhouse Gas Reduction Goals" that was unanimously supported by the commission. That motion instructed the Environment and Sustainability Center of Expertise (COE) to "prepare an assessment of the actions, resources, and timelines necessary to develop and implement policy directives for review by the commission, informed by the committee work groups." In response, the COE delivered the "Energy and Sustainability Policy Directive Resource Assessment" to the commission on July 11, 2017, see Attachment B.

In coordination with the committee, the Interim Executive Director reviewed the resource assessment and will embed the recommended sustainability activities as described in Attachment C – Sustainability Resource Allocation Recommendation.

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 Scope 1 and 3 goals added on April 11, the Scope 2 goal is defined by the Greenhouse Gas Protocols as developed by the World Resources Institute and the World Business Council on Sustainable Development:

Scope 1 are also referred to as direct greenhouse gas emissions, and are defined as 'emissions from sources that are owned or controlled by the organization,'

Scope 2 are also referred to as energy indirect greenhouse gas emissions, and are defined as 'emissions from the consumption of purchased electricity, steam, or other sources of energy (e.g., chilled water) generated upstream from the organization.'

Scope 3 are also referred to as other indirect greenhouse gas emissions, and are defined as 'emissions that are a consequence of the operations of an organization, but are not directly owned or controlled by the organization.'

ADDITIONAL INFORMATION ATTACHED

Attachment A: Sustainability Evaluation Framework

Attachment B: Resource Assessment

Attachment C: Resource Allocation Recommendation

ATTACHMENT A

ENERGY AND SUSTAINABILITY MOTION

SUSTAINABILITY EVALUATION FRAMEWORK

The Energy Production Subcommittee of the Port of Seattle (Port) Commission Committee on Energy and Sustainability developed this Project Evaluation Framework, as a recommendation to assist the Port of Seattle in two goals. The first goal is advancing energy and sustainability initiatives. The second goal is reducing greenhouse gas (GHG) emissions and increasing the resilience of its energy systems.

This framework is in addition to any current evaluation criteria, like return on investment or total cost of ownership.

1. Reduce GHG Emissions & Increase Energy System Resilience

a. Outcomes:

- Reduce emissions over which the Port has direct control (Scope 1)
- Increase reliance on renewable energy sources (Scope 2)
- Reduce emissions associated with Port activities (Scope 3)
- Increase use of distributed energy systems to foster resilience to natural and human-made disasters

b. Evaluation Criteria:

- GHG emissions reduced
- Renewable or waste by-product
- Distributed
- Cost per ton of GHGs reduced
- Cost per unit of energy purchased
- Reliability

2. Protect Public Health & the Environment

a. Outcomes:

- Protect and improve local air and water quality
- Reduce environmental & safety impacts from the lifecycle of fuels
- Preserve and restore natural system function
- Reduce noise pollution
- Reduce light pollution

b. Evaluation Criteria:

- Hazard analysis for human and environmental impacts: TBD- Toxicity, flammability, noise and light pollution etc. from production, transport, storage, and use perspectives (include considerations such as proximity to residential areas etc.)

- Opportunity to preserve or restore wildlife habitat or employ a natural systems solution (e.g. green infrastructure)

3. Support local economic development

a. Outcomes:

- Support local family wage jobs
- Support local businesses
- Support local clean tech development
- Meet tenant needs

b. Evaluation Criteria:

- TBD - The criteria should be informed by local economic experts
- Clean tech jobs in research, development, installation and maintenance

4. Advance Race & Social Justice

- a. Outcomes: The Energy Production subcommittee recognizes the opportunities to be gained when a race and social equity is prioritized in sustainability policy development. We believe *outcomes and criteria should be developed by local communities of color, low income residents, immigrants, and refugees, and those otherwise disproportionately affected by Port operations and/or underrepresented in Port decision making processes:*

- Foster strong long-term relationships and trust
- Ensure an equitable distribution of benefits and burdens
- Engage, support and align with existing community priorities
- Support workforce development and job creation
- Identify community resources and develop partnerships

b. Evaluation Criteria:

- Criteria should be developed through a community-driven process and address procedural, distributional, structural, and transgenerational equity.

5. Leverage Partnerships

a. Outcomes:

- Advance regional partnerships
- Shared benefits (i.e., lower costs with purchase power)
- Shared risk
- Alignment of conservation and GHG reduction goals

b. Evaluation Criteria:

- Partnerships identified and developed
- Benefits realized
- Risks identified and mitigated

6. Advance Innovation

a. Outcomes:

- Advance new energy solutions
- Encourage entrepreneurship

b. Evaluation Criteria:

- TBD - The criteria should be informed by clean energy experts and experts should assist in reviewing and updating the criteria frequently as clean tech is a rapidly advancing field. Experts may need to review individual projects.
- Port serves as financial and logistical supporters of trial projects

The Energy Production Subcommittee of the Port of Seattle (Port) Commission Committee on Energy and Sustainability recommends the Port further develop this framework and incorporate these considerations into its decision-making processes when evaluating energy sources and projects for Port operations.

ATTACHMENT B
ENERGY AND SUSTAINABILITY MOTION
ENERGY AND SUSTAINABILITY POLICY DIRECTIVE RESOURCE ASSESSMENT

MEMORANDUM

DATE: June 23, 2017

TO: Dave Soike, Interim Executive Director

FROM: Elizabeth Leavitt, Senior Director Environment and Sustainability
Paula Edelstein, Senior Director Human Resources

SUBJECT: Energy and Sustainability Policy Directive Resource Assessment

EXECUTIVE SUMMARY

In response to Commission direction, the Environment and Sustainability Center of Expertise (COE) and other stakeholders have estimated the 2018 needs for staff and consultant resources to implement key components of the Energy and Sustainability Policy Directive. This memorandum summarizes the resource effort process and results.

RESOURCE EFFORT

Background

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 support the Port's greenhouse gas (GHG) emissions reductions efforts, with a focus on energy efficiency and alternative energy generation. Commissioners Felleman and Gregoire were named as Committee Chairs.

The Chairs brought together 23 advisors from diverse sectors of our community to help formulate the policy recommendations. The Committee organized the advisors into the following four work groups:

- (1) **Regional Goals Alignment** that recommended changes to the Century Agenda (since adopted by the Commission) to align Port GHG reduction goals with those of other regional governments;
- (2) **Energy Production** that developed a preliminary recommended framework for analyzing Port projects with energy implications;
- (3) **Energy Conservation** that developed a number of specific recommendations to reduce Port-controlled emissions, to reduce (through contracting, incentives, or other measures) Port-influenced emissions, and to use metering to improve decision-making; and
- (4) **Equity** that recommended establishment of an inter-departmental team to support Port involvement with near-Port environmental justice communities.

The Port Commission tasked the Environment and Sustainability COE with assessing the resources and timeframes necessary to implement the policy recommendations and estimating a 2018 budget proposal for the work.

Process

The Environment and Sustainability COE worked extensively with internal stakeholders from across the Port to evaluate the work group recommendations. Stakeholders included members from the COE, as well as AV Facilities & Infrastructure, AV Commercial Management, AV Planning, Maritime and EDD Property Management, Seaport Project Management, Maritime, Finance, Public Affairs, Legal, Engineering, and other departments. The COE consulted with each department to identify as many relevant stakeholders as possible.

For each Energy and Sustainability recommendation, stakeholders (1) defined (at a preliminary level) the types of efforts that would be required to respond to the work group recommendations; (2) identified efforts for 2018; and (3) estimated staff and consultant resource needs for the 2018 work items. Some work efforts will start after or extend beyond 2018; those items are not the focus of these initial resource estimates. It is assumed that most of the staff needs are long-term; the COE will revisit this assumption as the resource estimates are incorporated into the proposed 2018 budget.

Major Accomplishments to Date

The Port already has implemented a number of energy conservation and other initiatives to reduce GHG emissions across its facilities. Every Port construction project is considered for energy and sustainability opportunities. Some of our many accomplishments include:

- (1) Energy conservation upgrades to Sea-Tac mechanical systems, escalators, and parking garage lighting;
- (2) Installing pre-conditioned air and electrical power at Sea-Tac terminal gates to reduce aircraft idling;
- (3) Installing charging stations across the airport for airlines and baggage companies to convert their fossil-fueled ground support equipment to electric (eGSE);
- (4) Developing and implementing the Environmental Key Performance Indicator (e-KPI) metric to reduce GHG emissions from transportation network companies such as Uber, Lyft, and Wingz;
- (5) Installing shorepower for cruise vessels to plug into while at berth to reduce the use of fuel while at berth;
- (6) Energy efficiency programs throughout the Maritime and Economic Development Divisions that have reduced 6,322,000 kW hours/year of electricity use;
- (7) Initiating the Puget Sound Maritime Emissions Inventory which calculates emissions from all maritime emissions in Puget Sound. The 2011 Emissions Inventory showed that the Port reduced GHG from maritime emissions by 14% from 2005; and
- (8) Commissioning a pilot project to evaluate switching drayage trucks from diesel to compressed natural gas.

In addition to these accomplishments, the Port has conducted sophisticated and systematic analysis and planning toward achieving GHG reductions. These efforts include, among others, the Port-wide Energy and Greenhouse Gas Assessment, the Aviation Biofuels Infrastructure Study, and the North Ports Clean Air Strategy.

Resource Estimates

Regional Goals Alignment

Although the Commission adopted new and revised Century Agenda GHG reduction goals in response to the work group recommendations, Port staff recommends two additional efforts: (1) identifying and addressing data gaps in current Port GHG inventories and records, and (2) developing new or modified sustainability initiatives to achieve the now-adopted GHG goals. Staff focused on areas where implementing this part of the Policy Directive would not overlap with other work group recommendations.

Efforts proposed for 2018 include:

- Developing and revising inventories for Maritime GHG Scope 1, 2, and 3 (Port direct, purchased electricity, and Port-influenced) emissions to provide a consistent base for evaluation;
- Identifying and beginning to implement additional Aviation and Maritime measures to meet the more aggressive Scope 1 and 2 near-term goals;
- Completing a study to follow up on the Aviation Biofuels Financing Study recommendations, to continue to advance efforts to reduce Scope 3 aviation GHG emissions; and
- Continuing long-term planning to reduce Maritime Scope 3 emissions.

Remaining work efforts such as Scope 3 emissions from ground transportation are either already being implemented using existing Maritime and Aviation resources, or will be considered for implementation after 2018.

Commissioners have also expressed interest in a running tally of GHG reductions relative to the Century Agenda goals. Port staff recommends addressing this request by:

- (1) Continuing to report annually on the results of GHG inventories,
- (2) Updating and sharing information on the project-specific and cumulative GHG reductions from proposed projects, and
- (3) Conducting research on the overall carbon benefit from multiple Port projects such as carbon sequestration.

Resource estimates for this work include partial full-time equivalent positions (FTEs) for the COE and Facilities and Infrastructure (F&I). In addition, Port staff recommends approximately \$600,000 for consultants to help identify additional Scope 1 and 2 measures, continue with the aviation biofuels financing work, revise and update the Maritime GHG inventories, conduct

long-term Scope 3 planning for Maritime, and conduct research on the overall carbon benefit of multiple Port projects.

Energy Production

To estimate resources needed to apply the Energy and Sustainability Framework (the Framework) to relevant projects, Port staff began by evaluating how the Port currently reviews proposed projects. Staff identified a number of systems that must be revised in order to reflect the Framework, such as Aviation and Maritime capital investment processes, procurement processes, design standards, Port master specifications and Dining and Retail Design Guidelines, among others. Staff quickly recognized that the Port must conduct a more complete evaluation of these processes to fully address and test the Framework.

Therefore, in 2018, staff recommends that a Port-wide team, consisting of the COE, the Project Management Group (PMG), Engineering (ENG), F&I, and others as necessary, apply the Framework to one operational and one capital/complex bidding process project each at the Maritime and Aviation divisions. These four pilot projects will provide insight into how the overall process, as well as project-related systems (e.g., those noted above) will need to be adjusted to reflect the framework. Based on the results, the Port-wide team will recommend changes to Port project review processes/systems to the Commission.

The team also will consider and make recommendations regarding the need for other sustainability tools such as GHG calculators, sustainability checklists, and tools that have been successfully used at similar organizations such as the City of Seattle, the City and County of San Francisco, and Chicago's O'Hare International Airport.

Additional resources will be needed to provide utility and energy management planning and evaluation of a potential micro-grid near container cargo facilities and a small-scale electricity power generation center.

Resource estimates for this work are allocated among key departments including partial FTEs for the COE, PMG, F&I, and ENG. In addition, Port staff recommends approximately \$200,000 for consultants to review methodologies and assumptions embedded in the range of calculators available to the Port and make recommendations if appropriate.

Energy Conservation

The Energy Conservation work group recommendations include a number of specific items that are grouped into categories below. To address these items, Port staff recommends the following:

Transportation: The COE is already developing a 2017 Green Fleet Plan that will be generally responsive to the recommendation on the purchase of fossil fuel vehicles. To increase the percentage of electric or other low emission rental vehicles, staff recommends evaluating a voluntary program with corporate partners in the region who have agreements with Sea-Tac

rental car companies. To address GHGs from employee commuting, the Port would expand existing tracking mechanisms and estimating protocols to cover all employees. Additional resources would be used to develop a proposal to reduce GHG emissions for all commercial vehicles serving the airport.

Habitat: The Port would use existing staff and hire a consultant to develop calculations of the carbon sequestration benefits from new and existing habitat projects.

Leasing: Addressing the work group recommendations in this category will require a significant, multi-year effort. In 2018, the Port will collect lease information, research best practices, conduct a gap analysis, develop a strategy for updating lease templates, and identify areas of initial focus. An additional staff person, likely in the Real Estate Group will be needed to complete this effort.

Infrastructure and Energy Efficiency: Aviation is currently developing a metering plan to identify areas of highest energy use and ensure that tenants are billed directly for their energy use. Maritime is developing strategies including infrastructure upgrades and modifications as part of energy audits of individual facilities. Recommendations for infrastructure investments are typically requested as part of capital budget submittals; the Energy and Sustainability framework may help to expand the number of opportunities identified. As part of the 2018 resource estimate, Maritime will install smart meters at Fishermen's Terminal, evaluate data and establish policy on smart meter deployment, and evaluate additional metering opportunities.

Resource estimates for this work are allocated among key departments including partial FTEs for the COE and Properties/EDD. In addition, Port staff recommends approximately \$470,000 for consultants to expand the employee commuting tracking mechanism, develop methods for calculating carbon sequestration from habitat projects, study leasing practices, and help evaluate the feasibility of an internal carbon tax.

Resource Effort Estimate: Equity

The Port of Seattle will join a number of public agencies and professional sectors in developing a policy and a set of operating principles and practices addressing equity, diversity and inclusion by the end of the year.

The Energy and Sustainability Committee Work Group recommendation to "Develop a Port-wide equity policy similar to the County's and City's" spurs the Port of Seattle to act boldly and broadly to recognize the existence and impact of institutional racism on both day to day Port operations and the region we serve. This recommendation aligns with the Port's commitment in 2016 to become a model of equity, diversity and inclusion as stated in the Long Range Plan Strategy 4: High Performance Organization, Priority Action 1.

The Port recently joined the Government Alliance on Race and Equity (GARE), a national network of governments working to achieve racial equity and advance opportunities for all. Between July and December 2017 GARE's consulting group will work with the Executive Leadership Team and a design team consisting of employees from across the port to develop a

Port of Seattle Equity Policy and Strategy to recommend to the Commission, lay ground work to normalize racial equity as a key value and have clear understanding and shared definitions; build capacity to operationalize equity via new policies and by transforming the underlying culture of our organization; and produce an implementation plan. In order to meaningfully and productively engage community representatives in this work, the Port will contract with a second consultant who will participate as a member of the design team and be responsible for developing and executing a community engagement strategy.

Efforts proposed for 2018 include:

- Implement an equity strategy and practices in three departments and evaluate the results.
- In support of this initiative, provide employees training on institutional racism and the Port's equity, diversity, and inclusion strategy and model of practice.
- Continue to partner with local agencies—including the City of Seattle and King County—and agencies around the country in building government accountability for equity.

Port of Seattle executive leadership recognizes that a successful Port-wide effort requires expertise and experience. Longer term resource needs will become clearer once the policy and strategy have been developed. Nonetheless we've learned from the City of Seattle and King County programs that new FTEs will likely be required to launch a successful Port equity program. Resources in the City and County's models include:

- Senior leader - Provides strategic planning and direction and establishes relationships with key governmental and community stakeholders.
- Manager(s) - Serves as a strategic advisor or program manager, coordinates interdepartmental teams, develops equity tools and trains and organizes community advisory bodies.
- Administrative support – Performs administrative tasks in support of the program.

Resource Effort Summary

All work teams submitted estimates of 2018 staffing and consultant dollars to complete the efforts outlined above. The COE then reviewed the staffing estimates and revised them to reflect realistic potential staff positions. The estimated needs for 2018 are as follows:

Department	Staffing (FTE)	Consulting Fees
Environmental COE	3.0 (2 M and 1 AV)	\$1,080,000
Aviation F & I	1.0	
PMG (Aviation/Maritime)	0.5	
ENG	0.5	
EDD	1.0	\$200,000
Equity effort*	4.0	\$150,000
Total	10.0	\$1,430,000

*Department to be identified by end of 2017.

As noted previously, a number of the Committee recommendations are already being implemented or can be implemented in 2018 using existing resources. However, the timeline for implementation of items requiring additional staff is subject to budget authorization for the positions and the time needed to bring new staff on board. To speed implementation, the COE recommends hiring an additional staff person this year to begin work. The new FTE would do the work formerly done by air emissions-related staff who moved to the North West Seaport Alliance. In addition, staff recommends not waiting until 2018 to begin recruitment for the other new staff.

The Energy and Sustainability Committee charter's intent included the development of policies; the April 11, 2017 adoption of the revised Century Agenda goals fulfills part of that intent. As the COE works in 2018 to implement specific Committee recommendations, the COE will likely propose additional policies for Commission consideration. The nature and timing of these policies will be determined by the outcome of the 2018 work.

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

April 11, 2017 – The Commission amended the Port of Seattle Century Agenda to include greenhouse gas reduction goals consistent with those adopted by regional municipalities. The April 11, 2017, motion also included direction to the COE to develop a 2018 budget proposal for implementation of the Policy Directives.

February 28, 2017 – The Commission was briefed on the recommendations of the work groups established by the Energy and Sustainability Committee.

January 26, 2016 – The Commission chartered the Energy and Sustainability Policy Committee.

PREVIOUS ENERGY AND SUSTAINABILITY COMMITTEE POLICY DIRECTIVE BRIEFINGS

January 24, 2017 – Sixth meeting of the Energy and Sustainability Policy Directive Committee was held.

- Group presentations of proposed final policy directives.

November 28, 2016 – Fifth meeting of the Energy and Sustainability Policy Directive Committee was held.

- Report outs from work groups. Next steps and schedule discussed.

October 11, 2016 – Fourth meeting of the Energy and Sustainability Policy Directive Committee was held.

- Workgroups breakouts including Regional Alignment, Energy Production, Energy Conservation, and Environmental Equity to begin work on potential Policy Directives.

September 13, 2016 – Third meeting of the Energy and Sustainability Policy Directive Committee was held.

- Focused on committee process and policy proposals by subject matter. Advisors chose work groups based on subject matter.

July 26, 2016 – Second meeting of the Energy and Sustainability Policy Directive Committee was held.

- King County Cities Climate Collaboration, or K4C, briefed us on the goals as developed by 11 cities within King County.
- Port staff provided an updated Port environmental scorecard for review and a briefing on Port solar projects.
- Got Green provided a briefing on Environmental Equity principles.

June 14, 2016 – First meeting of the Energy and Sustainability Policy Directive Committee was held.

- Provided information about the Port of Seattle's current greenhouse gas reduction goals and what work we are doing to reduce our greenhouse gas emissions.

ATTACHMENT C
ENERGY AND SUSTAINABILITY MOTION
RESOURCE ALLOCATION RECOMMENDATIONS

MEMORANDUM

TO: Commissioners
FROM: Aaron Pritchard and Elizabeth Leavitt
RE: Energy and Sustainability Committee Recommendations: Resource Allocation
DATE: 10.24.17

This document reflects the Energy and Sustainability Committee recommendations as informed by input from community advisors.

Committee Priority Recommendations Covered by Current Resources

- Use Clean Energy Experts
- Reduce Emissions from Trucks Serving Container Terminals
- Establish Minor Changes in Leases
- Provide Port Support for Public Policy Initiatives
- Future Resiliency planning: Establishment of Microgrids

Top priorities for 2018 additional resource allocation

- **3.8 FTEs and \$921,000 in consulting services**
 - **3 new FTEs** to focus exclusively on sustainability efforts:
 1. Aviation Facilities & Infrastructure expert in energy conservation and production
 2. Maritime Environmental expert in Maritime Air Emissions and Green House Gas tracking and reduction (Climate Protection Program Manager)
 3. Maritime Environmental expert in Sustainability, with an emphasis on Sustainable Design principles (Sustainable Development Specialist)
 - **0.8 Partial existing FTEs** (*absorbed by the departments noted*):
 - 0.5 for PMG
 - 0.3 for Engineering
 - **\$921,000 in consulting services**

FTE and Consulting Services Allocation: Alignment with Century Agenda GHG Goals

Century Agenda Goal:	Proposed Committee Actions:	Budget:	FTEs:
All GHG reduction goals: Pilot Framework for Evaluating Port Projects	<ul style="list-style-type: none">• Explore options for a Sustainable Carbon Funding model / internal carbon tax precursor to be built into the evaluation framework	\$30,000 consulting services	0.00

Century Agenda Goal:	Proposed Committee Actions:	Budget:	FTEs:
	<ul style="list-style-type: none"> Review project-related systems and processes. Include equity, efficacy (e.g., \$ per GHG ton reduced) and durability in evaluation framework. Emphasize energy production Apply evaluation criteria up to 4 projects divided between maritime facilities, include one solar 	\$200,000 consulting services	2.05
Reach 15% Scope 1 and 2 GHG reduction goal by 2020 (aviation)	<ul style="list-style-type: none"> Reduce natural gas use for heating the terminal (e.g., by procuring a source of renewable natural gas) Reduce natural gas use for powering the bus fleet (e.g., by electrifying the fleet) Explore other options for reducing natural gas use Evaluate the potential use of off-site production if on-site reductions are considered infeasible 	\$180,000 consulting services	0.50
Reach 15% Scope 1 and 2 GHG reduction goal by 2020 (maritime)	<ul style="list-style-type: none"> Lighting improvements at Fisherman's Terminal, Bell Harbor Marina, and Bell Street Parking Garage Energy efficiency projects identified by 2017 audits 	\$174,000 for tracking GHG and for Energy Audits at T91 and P66	0.65
Reach 15% Scope 1 and 2 GHG reduction goal by 2020 Reduce Scope 3 emissions (aviation and maritime): 50% below 2007 levels by 2030 and 80% below 2007 levels by 2050	<p>Implement Ground Transportation Measures</p> <ul style="list-style-type: none"> Improve Commute Trip Reduction program Explore long-term major strategies and short-term operational measures to promote shift in ground transportation for passenger travel Encourage the use of low- or zero-emission rental cars 	\$30,000 consulting services	0.1
Reduce Scope 3 emissions (aviation): 50% below 2007 levels by 2030 and 80% below 2007 levels by 2050	<ul style="list-style-type: none"> Develop governance structure for corporate aviation biofuel fund 	\$175,000 for consulting services	0.0

Century Agenda Goal:	Proposed Committee Actions:	Budget:	FTEs:
Reduce Scope 3 emissions (maritime): 50% below 2007 levels by 2030 and 80% below 2007 levels by 2050	<ul style="list-style-type: none"> • Conduct Scope 3 GHG inventory and long-term planning • Collect and analyze Maritime data associated with determining fenceline boundaries and baseline calculations • Electricity metering improvements at Port maritime facilities 	\$35,000 consulting services \$42,000 for purchase of Maritime Smart Meters	0.5
Reach 15% Scope 1 GHG reduction goal by 2020	<ul style="list-style-type: none"> • Calculate carbon sequestration benefits from habitat • Track emissions reductions from energy conservation and ramifications of other Port actions, including carbon sequestration from habitat 	\$55,000 consulting services	0.0
TOTAL		\$921,000	3.80