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2 **MOTION**
3 **OF THE**
4 **PORT OF SEATTLE COMMISSION**
5 **IMPLEMENTING RECOMMENDATIONS OF THE ENERGY AND**
6 **SUSTAINABILITY COMMITTEE**
7 **AND**
8 **SETTING STRATEGIC GREENHOUSE GAS REDUCTION PRIORITIES**
9

10 **PROPOSED**
11 **OCTOBER 24, 2017**
12

13 **PREAMBLE**
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15 This motion furthers the recommendation of the Port's Energy and Sustainability
16 Committee, unanimously chartered by motion on January 26, 2016.
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18 First, staff is instructed to develop an evaluation framework, the Sustainability
19 Project Evaluation Framework, (Framework) which will inform Commission
20 decision-making to advance of the Port's energy and sustainability initiatives by
21 transparently documenting environmental and societal considerations associated
22 with Commission actions.
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24 Second, staff will select up to four pilot projects for approval by the Commission,
25 to be used to identify the key environmental and societal components that will
26 constitute the Framework.
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28 Third, staff is instructed to explore a method of valuing and internalizing the
29 external costs of carbon.
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31 Fourth, Scope 2 carbon reduction goals are added to the Century Agenda,
32 supplementing the previous addition of Scope 1 and Scope 3 goals, passed
33 unanimously on April 11, 2017.
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35 Fifth, to implement the above mentioned actions and more broadly advance the
36 Port's energy and sustainability goals, three full-time employees (FTEs) will be
37 added to the Port's Environment and Sustainability Center of Expertise (COE).
38 The new FTEs will expand the Maritime program's focus from primarily regulatory

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

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

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45 **TEXT OF THE MOTION**

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

48 1. Develop a Port Sustainability Evaluation Framework to assist the Port
49 in meeting its greenhouse gas reduction and sustainability goals.

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51 2. Select up to four pilot projects, divided between the airport and maritime,
52 beginning with a solar project on Pier 69, to identify how to incorporate the
53 following environmental and societal components into a Framework to be
54 used to more fully inform the Commission of project proposals including:

- 55 i. Reduce greenhouse gas emissions
- 56 ii. Increase energy resilience
- 57 iii. Protect public health and the environment
- 58 iv. Support local economic development
- 59 v. Advance racial and social equity
- 60 vi. Leverage partnerships
- 61 vii. Advance innovation

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

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66 3. Dedicate sufficient staff resources; currently estimated to be three
67 Full Time Equivalent employees (FTEs) to focus on sustainability efforts
68 to meet the recently approved Century Agenda greenhouse gas
69 emission goals and to implement the Committee recommendations.

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71 4. Amend the Century Agenda to add Scope 2 goals. With the amendment, the
72 greenhouse gas emission reduction goals will be as follows (changes in red):

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Scope 1 and 2 – Port Controlled and Port Indirect Emissions

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

Scope 3 – Port Influenced Emissions

- 50% below 2007 by 2030
- 80% 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.

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

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106 development of policies to support the Port of Seattle’s greenhouse gas (GHG)
107 emissions reductions effort, with a focus on energy efficiency and alternative
108 energy generation. Commissioners Felleman and Gregoire were named as Co-
109 Chairs of the Committee.

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

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122 **Sustainability Evaluation Framework**

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

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

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140 **Valuing and internalizing the external costs of carbon**

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142 This item instructs staff to explore a method of creating internal financial

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143 incentives for carbon reduction, such as determining or calculating an internal
144 cost of carbon, for Port programs and departments. This could be a tool to
145 reduce port scope 1 and 2 carbon emissions.

146 **Port-wide Sustainability Effort**

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

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

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

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163 **Scope 2 Goals**

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

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