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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 **DECEMBER 19, 2017**
12 **~~OCTOBER 24, 2017~~**
13

14 **PREAMBLE**
15

16 This motion furthers the recommendation of the Port's Energy and Sustainability
17 Committee, unanimously chartered by motion on January 26, 2016.
18

19 First, staff is instructed to develop an evaluation framework, the Sustainability
20 Evaluation Framework, (Framework) which will inform Commission decision-
21 making to advance ~~of~~ the Port's energy and sustainability initiatives by
22 transparently documenting environmental and societal considerations associated
23 with Commission actions.
24

25 Second, staff will select up to four pilot projects for approval by the Commission,
26 to be used to ~~identify~~ validate the key environmental and societal components
27 that will constitute the Framework.
28

29 Third, staff is instructed to explore a method of valuing and internalizing the
30 external costs of carbon.
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32 Fourth, Scope 2 carbon reduction goals are added to the Century Agenda,
33 supplementing the previous addition of Scope 1 and Scope 3 goals, passed
34 unanimously on April 11, 2017.
35

36 Fifth, to implement the above mentioned actions and more broadly advance the
37 Port's energy and sustainability goals, the Interim Executive Director will include
38 adequate resources in the 2018 budget to~~three full-time employees (FTEs) will be~~

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39 ~~added to the Port's Environment and Sustainability Center of Expertise (COE).~~
40 ~~The new FTEs will to~~ expand the Maritime program's focus from primarily
41 regulatory compliance to include environmental sustainability. ~~It will also~~
42 ~~increase resources in and to support~~ Aviation Facilities and Infrastructure to meet
43 the new Century Agenda goals.

44
45 Sixth, Port staff will coordinate with the Northwest Seaport Alliance, as
46 appropriate.

TEXT OF THE MOTION

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

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

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

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

66
67 2. Evaluate and recommend methods for valuing and internalizing the
68 external costs of carbon port-wide.

69
70 3. ~~Dedicate sufficient staff resources; currently estimated to be three~~
71 ~~Full Time Equivalent employees (FTEs) to~~ Adequately resource focus
72 ~~on~~ sustainability efforts to meet the recently approved Century Agenda

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73 greenhouse gas emission goals and to implement the Energy and
74 Sustainability Committee recommendations.

75
76 4. Amend the Century Agenda to add Scope 2 goals. With the amendment, the
77 greenhouse gas emission reduction goals will be as follows (changes in red):

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79 i. Scope 1 emissions, which are direct greenhouse gas emissions
80 from Port owned or controlled sources, shall be:

81 1. 15 percent below 2005 levels by 2020. This advances the
82 initial Century Agenda goal by 17 years.

83 2. 50 percent below 2005 levels by 2030. This advances the
84 initial Century Agenda goal by 7 years.

85 3. Carbon Neutral by 2050 OR Carbon Negative by 2050. This
86 creates a new long-term stretch goal.

87
88 ii. Scope 2 emissions, which are indirect greenhouse gas emissions from
89 consumption of purchased electricity, heat or steam. The new Port-
90 wide goals for Scope 2 shall be:

91 1. 15 percent below 2005 levels by 2020.

92 2. 50 percent below 2005 levels by 2030.

93 3. Carbon Neutral by 2050 OR Carbon Negative by 2050.

94
95 iii. Scope 3 emissions, which are greenhouse emissions the Port has
96 influence over, not direct control. The new Port-wide goals for Scope 3
97 shall be:

98 1. 50 percent below 2007 levels by 2030

99 2. 80 percent below 2007 levels by 2050

100
101 5. Work with the Northwest Seaport Alliance through the Port of Seattle's
102 Environment and Sustainability Center of Expertise to advance mutually
103 shared goals, whenever practicable.

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105 6. The COE is directed to present the four proposed pilot projects to the
106 Commission within 90 days of passage of the 2018 Budget, to include a
107 proposed timeline for completion of the pilot projects.

108
109 7. The COE will meet with key stakeholders across the Port including Project
110 Management Group (PMG), Engineering, Facilities and Infrastructure,
111 Finance and Investment, lease teams and other teams as necessary to
112 implement and review the pilot projects. The pilot project results will be
113 presented to Commission, with a recommended Policy Directive.

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115 8. The COE will report progress twice yearly on the Century Agenda greenhouse
116 gas emission reduction goals and will maintain a public facing environmental
117 scorecard reflecting that progress.

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119 **STATEMENT IN SUPPORT OF THE MOTION**

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

128
129 The Committee established four subcommittees comprised of a broad range
130 stakeholders to assist in developing the recommendations included in this
131 Motion, and embedded in the descriptions of the new FTE’s in attachment B. The
132 first recommendation of the Committee was unanimously passed by the
133 Commission in a motion on April 11, 2017, amending the Century Agenda to
134 reflect the Commissions increased commitment to reducing greenhouse gas
135 emissions. The 2017 budget also created a one-million dollar fund to support the
136 recommendations of the Committee, including further greenhouse gas
137 reductions, leveraging matching funds and collaborating with neighboring
138 jurisdictions.

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141 Sustainability Evaluation Framework

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

149

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

158

159 Valuing and internalizing the external costs of carbon

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

165 Port-wide Sustainability Effort

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167 Currently, the Port has a skilled environmental team focused on compliance with
168 some dedicated sustainability expertise at the airport. The ~~new~~ Interim Executive
169 Director has included resources FTE in the 2018 budget to support the
170 sustainability activities responsibilities developed by are based on the
171 recommendations of the Committee and staff per the April 11, 2017 "Motion
172 Amending the Port of Seattle Century Agenda Greenhouse Gas Reduction Goals,"
173 that was unanimously supported by the Commission. That Motion instructed the
174 Environment and Sustainability Center of Expertise (COE) to "to prepare an
175 assessment of the actions, resources, and timelines necessary to develop and
176 implement Policy Directives for review by the Commission, informed by the
177 Committee work groups." and a In response, the COE delivered the "Energy and

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178 Sustainability Policy Directive Resource Assessment” to the Commission on July
179 11, 2017, see Attachment B.

180
181 In coordination with the Committee, the Executive Director reviewed the
182 Resource Assessment and will embed the recommended sustainability activities
183 as description of the responsibilities as described re-included in in Attachment C –
184 Allocation of FTE Sustainability Resource Allocation Recommendation and
185 Consulting Resources.

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187 **Scope 2 Goals**

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189 The addition of Scope 2 emissions was recommended by advisors to the Energy
190 and Sustainability Committee and is a category of emissions that the Port has
191 been working hard to reduce, including through green power purchases from
192 Puget Sound Energy’s Green Direct. Consistent with the Scope 1 and 3 goals
193 added on April 11th, the Scope 2 goal is defined by the Greenhouse Gas Protocols
194 as developed by the World Resources Institute and the World Business Council on
195 Sustainable Development:

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197 Scope 1 are also referred to as Direct GHG, and are defined as ‘emissions from
198 sources that are owned or controlled by the organization’,

199
200 Scope 2 are also referred to as Energy Indirect GHG, and are defined as ‘emissions
201 from the consumption of purchased electricity, steam, or other sources of energy
202 (e.g. chilled water) generated upstream from the organization’.

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204 Scope 3 are also referred to as Other Indirect GHG, and are defined as ‘emissions
205 that are a consequence of the operations of an organization, but are not directly
206 owned or controlled by the organization’.

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