PORT OF SEATTLE COMMISSION- ENERGY AND SUSTAINABILITY COMMITTEE Energy Production Subcommittee Recommendation

ENERGY PRODUCTION PROJECT EVALUATION FRAMEWORK

The Energy Production Subcommittee of the Port of Seattle (Port) Commission Committee on Energy and Sustainability has developed this Energy 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. <u>Outcomes</u>:

- Reduce emissions over which the Port has direct control (add target)
- Reduce emissions associated with Port activities (e.g. freight movement, tenant energy use, etc.)
- Increase reliance on renewable energy sources (do you have a target?)
- 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 (define local)
- Meet tenant needs

b. Evaluation Criteria:

• TBD- The criteria should be informed by local economic experts

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4. Advance Race & Social Justice

- <u>a.</u> <u>Outcomes</u> 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

a. 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
- 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.

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.