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Item No.: 10a_Supp
Meeting Date: January 10, 2023

Pier 66 Shore Power Project Construction Funding

Pier 66 Bell Street Cruise Terminal

- Commissioned in 1999
- Single berth facility and home port to Norwegian and Oceania vessels
- Upgraded to accommodate newest NCL vessels in 2018
- Recent P66 Interior Modernization further enhanced areas jointly used by Cruise and the International Conf. Center
- Contributes to significant jobs and economic benefits to the region: 5,500 jobs and nearly \$900M in total business revenue each typical cruise season

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Shore Power is a Key Environmental Strategy

Maritime Climate and Air Action Plan:

- Implement the Seattle Waterfront Clean Energy Strategy
- Install cruise shore power at Pier 66 by 2024, 6 years ahead of the Northwest Ports Clean Air Strategy goal
- Work with cruise lines to make 100% of homeport calls shore power-capable and plug in by 2030, if not before
- Incorporate sustainability best practices into leases and agreements

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Shore Power Environmental Benefits and Successes

- 93 percent of electricity in Seattle comes from low carbon, low-cost sources, like hydroelectricity
- Ships that use Seattle's clean electricity instead of fossil fuels at berth reduce CO2 and air pollutants
 - In 2019 shore power use reduced about 2,900 metric tonnes of CO2
 - In 2021 shore power use reduced about 1,700 metric tonnes of CO2
 - In 2022 shore power use reduced about 2,200 metric tonnes of CO2
- Cruise lines are demonstrating commitment to use shore power at Terminal 91 and connection rates by equipped calls increase year-over-year:

97%
100% 89%
80% 62%
53 %
60%
40%
20%
0%

2017 2018 2019 2020 2021

- At Pier 66, many ships are already shore power-equipped and expected to connect once a connection is available

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Pier 66 Shore Power Project Components

Four key segments

- Segments 1 & 2: Landside infrastructure at Terminal 46. Cost sharing with Seattle City Light on Segment 1.
- Segment 3: Approximately 1-mile submersible cable in Elliott Bay
- Segment 4: Shore power equipment and infrastructure on Pier 66. Two shore power connection points with cable management system to offer connection flexibility

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Project Status

- Pre-Procurements executed for Submarine Cable and Electrical Equipment
- 90% design completed to accommodate alternate feeder source
- Permit review underway, approval expected Q1 2023
- Continuing collaboration with our partners on design development:
 - ? Northwest Seaport Alliance ? Seattle City Light
 - ? Washington State Ferries ? Seattle Dept. of Construction and Inspection
 - ? Tribal Governments ? Department of Natural Resources
 - ? Army Corps of Engineers ? Washington State Fish and Wildlife
 - ? National Marine Fisheries ? US Coast Guard

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Authorization Request

- Advertise and award Major Works Contract to complete construction work, extend design contracts to cover construction support.
 - Execute a Memorandum of Agreement with Seattle City Light and associated agreements (incl. property and DNR easement) to facilitate this work
 - Execute Tribal mitigation agreements
- Total amount of this request: \$29,145,000
Total project budget: \$38,000,000

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Project Budget

- Current \$38M request is total cost for the project, offset by several sources
- SCL contribution for system expansion (\$3.0M)
Grant and State Funding (\$4.9M)
Norwegian Cruise Line contribution in negotiation

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Next Steps

- Final design and permitting complete: Q1, 2023
- Memorandum of Agreement with Seattle City Light on Roles and Responsibilities and Cost Sharing: Q1, 2023
- Advertise major works contract Q1, 2023
- Shore Power Funding Agreement and Possible Lease Amendment with Norwegian Cruise Line Holdings: Q2, 2023 (Separate Action)
- Onsite Construction, Testing & Commissioning: Q3, 2023 – Q2, 2024

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Questions?
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