ITEM NO: <u>7a_Reso_A</u>

DATE OF MEETING: February 1, 2011

RESOLUTION NO. XXXX

A RESOLUTION of the Port Commission of the Port of Seattle (Port), King County, Washington, adopting a policy under the State Environmental Policy Act (SEPA) and its implementing rules, Chapter 43.21C RCW and Chapter 197-11 WAC, addressing the assessment of greenhouse gas emissions and climate change under SEPA.

WHEREAS, the State Environmental Policy Act (SEPA), Chapter 43.21C RCW, sets forth an environmental policy for Washington state and requires that the environmental impacts of proposals be analyzed and, where appropriate, mitigated; and

WHEREAS, SEPA applies to state agencies, counties, and municipal and public

corporations, including port districts; and

WHEREAS, SEPA and its implementing rules, RCW 43.21C.070 and WAC 197-11-902, require the Port to formally designate policies that may be used as a basis for conditioning or denying an action using SEPA's substantive authority. RCW 43.21C.070 and WAC 197-11-902; and

WHEREAS, on April 2, 2007, in *Massachusetts v. EPA*, 549 U.S. 497 (2007), the United States Supreme Court found that greenhouse gases are air pollutants covered by the Federal Clean Air Act; and

WHEREAS, in 2008 the Washington State Legislature enacted RCW 70.235.020 which establishes statewide targets to reduce annual greenhouse gas emissions to 1990 levels in 2020, to twenty-five percent below 1990 levels in 2035, and to do its part to reach global climate stabilization by reducing emissions to fifty percent below 1990 levels in 2050; and

WHEREAS, in December 2009 the Administrator of the United States Environmental Protection Agency issued a finding under the Federal Clean Air Act, that greenhouse gases in the atmosphere may reasonably be anticipated both to endanger public health and to endanger public welfare; and

WHEREAS, the SEPA rules require agencies to consider a proposal's environmental impact when rendering a threshold determination as to whether an environmental impact statement is required; and

WHEREAS, air quality and climate are identified in WAC 197-11-444(1)(b)(i) and (iii) as elements of the environment to be considered in assessing a proposal's environmental impacts under SEPA; and

WHEREAS, the Port of Seattle has been a leader in assessing greenhouse gas emissions associated with its operations and projects, and implementing mitigation strategies that reduce emissions that contribute to climate change; and

WHEREAS, when acting as a SEPA Lead Agency, the Port is in a unique position to consider and mitigate greenhouse gas impacts when considering project and non-project actions undergoing Port review; and

WHEREAS, the Port has previously adopted policies and procedures consistent with the SEPA Rules, Chapter 197-11 WAC, including Resolution **XXXX** which is supplemental to this resolution; and

WHEREAS, the Port Commission from time to time finds it necessary to amend and revise its SEPA policies and procedures due to changes in law and/or operations of the Port and in order to improve the effectiveness of such policies and procedures.

NOW, THEREFORE, BE IT RESOLVED by the Port Commission of the Port of Seattle that:

The Port of Seattle Commission adopts Exhibit A to this resolution as its SEPA Climate Change Policy.

ADOPTED by the Port Commission of the Port of Seattle at a regular meeting thereof, held this ______ day of ______, 2010, and duly authenticated in open session by the signatures of the Commissioners voting in favor thereof and the seal of the Commission.

Port Commission

EXHIBIT A SEPA CLIMATE CHANGE POLICY

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PART ONE AUTHORITY AND PURPOSE

Section 1 Purpose

The purpose of this resolution is to provide guidance to Port of Seattle staff when acting as a project proponent and the POS responsible official when evaluating proposals under the State Environmental Policy Act, Chapter 43.21C RCW, that: (1) are likely to result in greenhouse gas emissions; and/or (2) may be impacted by the effects of climate change.

Section 2 Authority

This resolution is adopted under the authority of RCW 43.21C.060 and RCW 43.21C.110-120 and may hereinafter be referenced or cited as a Port of Seattle "SEPA Climate Change Policy".

PART TWO SEPA AND CLIMATE CHANGE

Section 3 SEPA and Climate Change

SEPA requires lead agencies to consider the environmental consequences of proposals that are not exempt from the SEPA process. Climate is one element of environment that SEPA requires agencies to evaluate before making a decision on a proposal (WAC 197-11- 444)(1)(b)(iii). As a

lead agency and project proponent, the Port will consider greenhouse gas emissions and the effect of changes in climate on proposed actions as a mandatory component of our environmental review.

SEPA provides a framework for considering environmental impacts of proposed actions. With respect to climate change, the SEPA analysis of the environmental impacts of a proposal may include the following steps, which are part of the standard SEPA review process:

- 1. Reasonable identification, calculation, or other evaluation of greenhouse gas emissions associated with the project,
- 2. Identification of reasonable mitigation that avoids, reduces, or compensates for the adverse effects of the emissions,
- 3. Assessment of the potential effects or impacts that climate change may have on the project itself,
- 4. Assessment of the "significance" of the unmitigated emissions associated with the project,
- 5. Assessment of the "significance" of climate changes on the project,
- 6. If required, the preparation of an Environmental Impact Statement (EIS) that: (a) analyzes the environmental impacts of a project's greenhouse gas emissions and the effect of climate change on a project, (b) identifies alternatives, and (c) possible mitigation options.

PART THREE IDENTIFICATION AND CALCULATION OF GREENHOUSE GAS EMISSIONS

Section 4 Calculation of GHG Emissions

The Port project proponent will identify and calculate both direct and indirect greenhouse gas emissions within reasonable spatial and temporal boundaries of a proposal as part of SEPA environmental review. Project proponents should evaluate their proposal for all known or expected sources of greenhouse gases that they can reasonably assess or calculate over the life of the project. The rigor of the greenhouse gas calculation or assessment will depend on the scope, scale and context of a particular proposal. The proponent should distinguish between those emissions that are under the direct control of the project proponent from those that are owned and/or controlled by third parties. For many projects, a reasonable qualitative estimate of emissions may be sufficient. For others, particularly those projects that may be covered by the State of Washington's mandatory greenhouse gas reporting requirement or any other reporting requirement adopted by the United States Environmental Protection Agency, more rigorous quantification methods might be appropriate.

Section 5 Emissions Quantification Methodologies

Project proponents should use well-accepted emission quantification methodologies appropriate and reasonable for the scope and scale of a project when calculating or otherwise assessing emissions from a project. Appendix A to this resolution identifies well-accepted quantification methodologies currently used for many of the most common emission sources and may be utilized by project proponents to assist in calculating and evaluating emissions. The Port may develop and utilize its own methodologies based upon best available emission factors and project specific information.

Section 6 Emissions Worksheet

Environmental review normally starts with the completion of an environmental checklist. The checklist provides information to the lead agency about the proposal and its probable environmental impacts. The State of Washington and other local government agencies have developed quantitative and qualitative worksheets that may serve as templates for calculating the relevant sources of GHG emissions from a proposal. A greenhouse gas emissions worksheet may provide supplemental information for the environmental checklist.

PART FOUR MITIGATION MEASURES

Section 7 Mitigation Measures

Mitigation is the avoidance, minimization, rectification, compensation, reduction, or elimination of adverse impacts to built and natural elements of the environment. As a project proponent, the Port may incorporate mitigation measures that reduce a project's greenhouse gas emissions below a level of significance or take voluntary actions that reduce the Port's greenhouse gas emission baseline. Mitigation measures that reduce or avoid greenhouse gas emissions should be identified in appropriate environmental documents. Project proponents should work with POS environmental staff early on in the proposal to identify possible GHG mitigation measures and strategies for the project.

PART FIVE THRESHOLD DETERMINATION

Section 8 Threshold Determination

The SEPA "threshold determination" is the formal decision as to whether the proposal is likely to cause a significant adverse environmental impact for which mitigation cannot be easily identified. With respect to greenhouse gas emissions from a project and to the possible effects of climate change on a proposal, there is no uniform standard for determining "significance." Any decision by the Port of whether there is adverse environmental impact from a proposal will be made on a case-by-case basis.

In making the threshold determination, the Port as a lead agency may consider:

- 1. Whether the proposal will significantly contribute, either directly, indirectly or cumulatively to greenhouse gas concentrations in the atmosphere;
- 2. The extent to which greenhouse gas emissions of the project have been mitigated as part of project design, or through other identified actions;
- 3. The economic and technical feasibility of mitigation options available;
- 4. The aggregate Port greenhouse gas emission inventory and the relation of the project's emissions to the overall balance and trend of the inventory;

- 5. The effects of climate change on the project, including the vulnerability of the project to the specific impacts of climate change within a reasonable timeframe;
- 6. Whether the proposal will conflict with applicable laws and regulations adopted for the purpose of reducing greenhouse gas emissions,
- 7. Guidance and policies adopted by other local governments, and state and federal agencies, including, but not limited to, the Washington State Department of Ecology, and the White House Counsel on Environmental Quality related to the consideration of climate change and greenhouse gas emission under SEPA and the National Environmental Policy Act (NEPA), 42 U.S.C. §§ 4321 et seq.

If the emissions from the project, or the effects of climate change on the project, will not be mitigated below the level deemed to be significant, the preparation of an environment impact statement (EIS) will be required. Additional mitigation measures may be required to the extent attributable to the identified adverse impacts of the proposal.

PART SIX EFFECTS OF CLIMATE CHANGE

Section 9 Consideration of Effects of Climate Change on Proposals/Projects

Climate change can affect the environment of a proposed action in a variety of ways. For instance, climate change can affect the integrity of a development or structure by exposing it to a greater risk of floods, storm surges, or higher temperatures. Climate change can increase the vulnerability of a resource, ecosystem, or human community, causing a proposed action to result in consequences that are more damaging than prior experience with environmental impacts analysis might indicate. Climate change effects should be considered in the analysis of projects that are designed for long-term utility and located in areas that are considered vulnerable to specific effects of climate change (such as increasing sea level or ecological change) within the project's timeframe.

PART SEVEN SEVERABILITY

Section 10 Severability

If any provision of this resolution or its application to any person or circumstance is held invalid, the remainder of this resolution or the application of the provision to other persons or circumstances shall not be affected.