

**MOTION 2019-06:
A MOTION OF THE PORT OF SEATTLE COMMISSION**

adopting the charter of the 2019 Energy and Sustainability Special Committee, as attached, to develop recommendations to the Port of Seattle Commission on Century Agenda environmental and sustainability goals; replacing the charter of the 2018 Energy and Sustainability Special Committee adopted March 27, 2018.

**ADOPTED
APRIL 23, 2019**

TEXT OF THE MOTION

The Port of Seattle Commission hereby adopts the attached charter of the 2019 Energy and Sustainability Special Committee to provide information, advice, and recommendations about fulfilling the port's Century Agenda environmental and sustainability goals, including being the greenest and most energy-efficient port in North America and meeting all increased energy needs through conservation and renewable sources, and to perform the scope of work elaborated in the attached charter. This charter replaces the charter of the 2018 Energy and Sustainability Special Committee adopted March 27, 2018, which replaced the charter of the Energy and Sustainability Special Committee adopted January 26, 2016.

STATEMENT IN SUPPORT OF THE MOTION

An Energy and Sustainability Committee was originally chartered by the Port of Seattle Commission on January 26, 2016. On October 24, 2017, the Commission passed a motion supporting the committee's recommendation to align the Port's greenhouse gas reduction goals with those of King County and the City of Seattle. It also instructed Port staff to develop a Sustainability Evaluation Framework to assist the Port in meeting its greenhouse gas reduction and sustainability goals. The work of the 2016 Energy and Sustainability Committee concluded in December 2017.

The Port had significant strategic environmental decisions in 2018 that required an added level of oversight and engagement by the Chairs of this Committee, Commissioners Fred Felleman and Ryan Calkins. The Port of Seattle Commission made chartering of a new Energy and Sustainability Committee one of its top priorities for 2018.

The 2019 Energy and Sustainability Committee will continue the work of the previous Committees. The Committee will deliver a Sustainable Project Framework Resolution; continue

to monitor Sustainable Aviation Fuel (SAF) strategy implementation; host a SAF Summit and roll out the results of an airline SAF memorandum of understanding; review and comment on the development of the Port's Waterfront Clean Energy Strategic Plan; and continue to coordinate development of the Maritime Blue Inspiration Awards.

The Sustainable Project Framework was proposed by the 2016 Energy and Sustainability Committee, chaired by Commissioners Courtney Gregoire and Fred Felleman. This Framework will assist the Commission in making decisions on projects in a transparent manner that explicitly reviews the environmental, social, and financial tradeoffs that occur in any project of significance. The Committee will recommend four pilot projects to develop the Framework.

The Chairs will conduct oversight on the implementation of the Sustainable Aviation Fuels strategy and implementation and the outcomes of the SAF Airlines MOU. Sustainable Aviation Fuels is one of the most significant ways the Port can create greenhouse gas reductions in the region.

There are two new additions to the Committee charter in 2019. The Committee will review the Seattle Waterfront Clean Energy Strategic Plan. It will review and comment on the development of the planning, scope, and schedule of the Port's Waterfront Clean Energy Strategic Plan.

The second new area of oversight will be over the of the Environmental Cruise Principle as approved by the Commission on March 12, 2019 that included "supporting principles for the development of the Port's cruise business and to guide engagement with prospective partners and stakeholders in the operation of existing and potential new cruise facilities."

Finally, the Committee shall support the development of the Maritime Blue Maritime Inspiration awards to recognize companies and organizations in Washington that inspire young people through environmental sustainability, technological innovation, and community development

The Port of Seattle Commission, by this motion, charters the 2019 Energy and Sustainability Special Committee to develop policy recommendations and conduct oversight in these five primary areas to further the environmental and sustainability goals of the Port's Century Agenda.

ADDITIONAL INFORMATION ATTACHED

Draft 2019 Energy and Sustainability Special Committee Charter
Action Items from Committee and Progress

**PORT OF SEATTLE COMMISSION
2019 ENERGY AND SUSTAINABILITY SPECIAL COMMITTEE CHARTER**

Adopted April 23, 2019

I. INTRODUCTION

The Port of Seattle's Century Agenda outlines a strategic objective to become the greenest and most energy efficient port in North America and sets specific greenhouse gas reduction targets.

An Energy and Sustainability Committee was originally chartered by the Port of Seattle Commission on January 26, 2016, to address this strategic objective. On October 24, 2017, the Commission passed a motion supporting the committee's recommendation to align the Port's greenhouse gas reduction goals with those of King County and the City of Seattle and instructing Port staff to develop a Sustainability Evaluation Framework to assist the Port in meeting its greenhouse gas reduction and sustainability goals.

Pursuant to the 2017 motion, the Sustainability Evaluation Framework was to be developed over the course of 2018 and tested through a series of pilot projects. The framework will help determine how to incorporate environmental and social considerations and create transparency for the Commission's review of project proposals. Adoption of the 2017 motion concluded the work outlined in the 2016 Energy and Sustainability Committee Charter.

In 2018, the Committee developed a Sustainable Aviation Fuels (SAF) Memorandum of Understanding between the Port of Seattle and the airlines at Sea-Tac Airport, recommended the final Sustainable Aviation Fuels strategic plan to the Commission, proposed state-wide environmental awards that have been incorporated into the Governor's Maritime Blue outcomes, and launched the Smith Cove Blue Carbon pilot project.

The 2019 Energy and Sustainability Special Committee shall continue to provide information, advice, and recommendations to inform commission policy development in pursuit of the port's Century Agenda environmental and sustainability goals. The committee shall conduct its work in the context of other Century Agenda goals, the 2017 and 2018 motions, and continue the port's commitment to fiscal responsibility and social equity and justice.

II. COMPOSITION

The 2019 Energy and Sustainability Special Committee will consist of two Port of Seattle Commissioners appointed by the commission president after consultation with the commission at the beginning of each calendar year in which the committee is active. Non-voting members from within and outside the port may be invited to participate at the discretion of the committee.

III. SCOPE OF WORK

The work of the 2019 Energy and Sustainability Special Committee shall include the following:

- A. Century Agenda Strategy 4. Review proposed revisions and recommend to the Commission changes, as necessary, to the Port's Century Agenda Strategy 4: Be the greenest, and most energy efficient port in North America.
- B. Sustainability Evaluation Framework Policy Directive. Draft and recommend to the Commission a Port-wide Sustainability Evaluation Framework Policy Directive. The Framework will assist the port in meeting its greenhouse gas reduction and sustainability goals and will be used to better inform commission decision making and public transparency about how project proposals are made that:
 - 1. Reduce greenhouse gas emissions
 - 2. Increase energy resilience
 - 3. Protect public health and the environment
 - 4. Support local economic development
 - 5. Advance racial and social equity
 - 6. Leverage partnerships
 - 7. Advance innovation
- C. Sustainable Aviation Fuel Strategy Development and Implementation:
 - 1. Review and comment on progress and results of the SAF MOU work, as agreed to in the Airline Signatory Lease and Operating Agreement IV (SAF MOU) in 2018. Results of the SAF MOU work may influence or modify the proposed future actions and efforts noted below.
 - 2. Track efforts to establish a regional source of SAF at a commercially competitive rate and ensure a commitment from the airlines that they will use SAF preferentially to meet goals specified in the Commission's December 19, 2017, motion.
 - 3. Track initiatives to ensure cost-competitiveness for SAF through a variety of methods that are not mutually exclusive, and as stated in the December 19, 2017, motion, include:

- (a) Work with airlines to support state and federal legislation establishing a cost-effective Clean Fuel Standard (CFS) consistent with bills, executive orders, policies, and regulations implemented in the states of California and Oregon and the province of British Columbia; or similar provision that includes options for aviation tax credits as well as tax credits for use of marine and on-road renewable diesel.
 - (b) Work with airlines to advocate to the Federal Aviation Administration (FAA), federal and state legislators, regulatory agencies, industry groups, and other partners for use of airport revenues to offset costs of SAF through their co-benefits to human health and the environment.
 - (c) Work with airlines to advocate to the FAA for new grant programs, or to adjust existing Voluntary Airport Low Emissions (VALE) grant programs to support SAF through their co-benefits.
 - (d) Seek mutual financial investments with the port and its partners including identifying potential uses of the \$5 million over 5-year SAF Fund that was established in the 2019 Port of Seattle budget.
- 4. Develop outcomes and next steps following the Washington SAF Summit. Continue to engage local, state, and federal decision-makers and interested stakeholders along the value chain including but not limited to: farmers, financiers, bio-refiners, logistics operators, as well as other fuel users such as Washington State Ferries, cruise lines, tug boat operators, other harbor craft, truck operators, fishing boats, the United States Coast Guard, and the Department of Defense.
 - 5. Review and recommend to the commission, the Public Affairs strategic communications plan tailored to the commission's SAF goals that positions the Port of Seattle as a leader in the SAF industry locally, nationally, and internationally.
 - 6. Review and recommend to the commission sustainability certification standards for SAF at Seattle-Tacoma International Airport and encourage our airline partners to purchase SAF that meets our shared values.
- D. Environmental Cruise Principle Implementation. Review implementation of Motion 2019-02 adopted March 12, 2019, supporting principles for the development of the Port's cruise business and guiding engagement with prospective partners and stakeholders in the operation of existing and potential new cruise facilities. The committee will focus on reviewing implementation of environmental principle number 4 of the motion, which reads as follows:

(4) Incorporate leading edge environmental stewardship and sustainability practices and facilities that can exceed existing regulations.

(a) Set aggressive goals to minimize greenhouse gas impacts in operation of ships and terminals to support the Port's goals of reducing carbon by 50 percent by 2030 and the carbon-neutral-by-2050 goal.

(b) Lead the region and the industry to minimize air emissions, ensure water quality and protect our ecosystems, focusing on minimizing air and water discharges at dock and underway.

(c) Engage with key local stakeholders in support of regional environmental priorities and initiatives, including considering recommendations from the state's Orca Task Force.

(d) Require use of shore power where feasible by equipped ships and include shore power capabilities at the new berth.

E. Monitor the development of the Port of Seattle Waterfront Clean Energy Strategic Plan.

1. Review and monitor the development of the planning, scope, and schedule of the plan.
2. Participate in outreach to the Northwest Seaport Alliance, City of Seattle, and others.
3. Provide review, comments, and recommendations with partners on goals, objectives, and principles for the plan.
4. Review major milestone achievements and provide comments on progress.

F. Develop a proposal for Maritime Innovation and Environmental Awards.

1. Review and recommend to the commission an updated approach to the Port of Seattle's 2020 and future environmental awards.
2. Support Maritime Blue Maritime Inspiration awards to recognize companies and organizations in Washington that inspire young people through environmental sustainability, technological innovation, and community development. The awards

are proposed to be given annually at the Maritime Blue summit (estimated for April-May), in conjunction with local maritime partners.

IV. AUTHORITY

In pursuit of its purposes and scope, the committee is not legally authorized to act on behalf of the Port of Seattle Commission, but is authorized to conduct the following activities:

- A. Review and recommend a Sustainable Framework Policy Directive.
- B. Monitor and comment on framework pilot projects.
- C. Review and comment on progress and results of the SAF MOU work, as agreed to in the Airline Signatory Lease and Operating Agreement IV (SAF MOU) in 2018.
- D. Review and recommend a Blue Carbon strategy to the Port of Seattle Commission and monitor progress of the Smith Cove Blue Carbon and habitat pilot project near Terminal 91.
- E. Review and recommend a Seattle Waterfront Clean Energy Strategic Plan to to deliver clean energy that is reliable, cost effective, and resilient.
- F. Review and recommend refinements to the environmental awards program for the Port of Seattle.
- G. The committee is authorized to seek public engagement by way of community meetings, workgroups, and testimony as part of regular or special Port of Seattle Commission meetings as deemed necessary, subject to the applicable rules and procedures for calling such public meetings.
- H. If the committee determines that to meet its responsibilities it needs the independent services of an outside advisor or consultant, it may propose the retention of such advisor or consultant to the commission for approval.

V. DURATION

The work of the 2019 Energy and Sustainability Special Committee will continue until completion of the outcomes described in its purposes and scope for which the committee is responsible.

VI. RESPONSIBILITY

- A. The role of committee chair(s) shall be to:

1. Preside at meetings and serve as committee sponsor(s);
 2. Ensure that the committee addresses the purposes described in this charter; and
 3. Set committee meeting agendas.
- B. The Commission Policy Manager is the committee liaison, and commission specialists will support the work of the committee as assigned. The role of the committee liaison shall be to:
1. Regularly update the commission on the work of the committee in memos, individual briefings, and public session.
 2. Support the work of the committee.
 3. Help develop, manage, and distribute meeting materials.
 4. Provide logistical support including procuring meeting rooms, scheduling, creating meeting records, and providing technical assistance.
- C. The Port of Seattle Environment and Sustainability Center of Expertise Senior Director will support the committee as the primary executive staff contact. The role of the executive staff contact shall be to:
1. Support the committee with timely and responsive information.
 2. Coordinate with other executive staff in support of the committee's work; and
 3. Serve as a resource for committee deliberation.

VII. MEETINGS

- A. The committee will meet at least quarterly and will subsequently report to the commission in public session to provide transparency as to progress made in executing its charter.
- B. Workgroups composed of non-commissioner advisors and subject matter experts may be formed by the committee to provide in-depth analysis of issues for the committee and are expected to meet as frequently as needed. Workgroup meetings are not considered official committee meetings for purposes of establishing a quorum or management of records by the commission clerk.
- C. A quorum of the committee is required to conduct official committee business. A quorum is defined as the presence of both commissioners assigned to the committee.

- D. Meetings of the 2019 Energy and Sustainability Special Committee shall be open to the public when required by applicable law or the bylaws of the Port of Seattle Commission.
- E. Agendas will be prepared and made available to the committee and workgroup members in advance of meetings.
- F. Agendas for updates to the commission to be presented in public session will be published as part of regular or special commission meeting notices.
- G. Minutes will be prepared and retained for all meetings of the committee.
- H. Records of committee meetings, including any meeting minutes, shall be provided to the commission clerk for appropriate retention in accordance with applicable law and best practices.

Energy and Sustainability Outcomes

	<u>Complete</u>	<u>In-progress</u>	<u>Completed By</u>
Regionally Aligned GHG Goals	X		
Create Short, Medium and Long Term GHG Goals	X		
Sustainability Framework		X	2019 Q2
Apply to four Pilot Projects		X	2019 Q2
Valuing and Internalizing Carbon Costs	X		
Aviation: Reduce Natural Gas use (RNG) (reduce scope 1)		X	2019 Q3
Maritime: GHG and Energy Audits, Lighting and Energy Efficiency projects	X		
Maritime: Conduct Scope 3 GHG Inventory and long-term planning		X	2020
Maritime: Determine Fenceline boundaries and baseline calculations for maritime		X	2020
Maritime: Electricity Metering	X		
2020 Report of GHG inventories		X	2020
Calculate carbon sequestration benefits from habitat	X		
Improve Commute Trip Reduction program	X		2019 Q4
Green Fleet Plan		X	Q3 2019
Encourage the use of low or zero emissions Rental Cars		X	
Explore long-term strategies and short term operation studies to promote GT shift	X		
Complete Biofuels Financing Study	X		
Set Sustainable Aviation Fuels goals	X		
Reach agreement with major airline tenants to advance the use of SAF	X		
Develop and approve SAF Strategic Plan by mid-2018	X		
Governance Structure for Corporate Aviation SAF		X	Q3 2019
3 New FTE's to Focus on Sustainability	X		
Develop Port-Wide Equity Policy		X	Pilot projects underway