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November 8, 2018

Craig Kenworthy
Executive Director
Puget Sound Clean Air Agency
1904 Third Ave, Suite 105
Seattle, WA 98101

Dear Craig Kenworthy:

The Port of Tacoma (Port) is pleased to provide these comments on the Draft Supplemental Environmental Impact Statement (DSEIS) for Puget Sound Energy's proposed Tacoma Liquefied Natural Gas (LNG) plant. The port is encouraged by the focus and rigor of the authors and the Puget Sound Clean Air Agency (PSCAA) as lead agency applied to this DSEIS.

The Port is pleased that the SEIS confirms what we have long believed—that LNG, while not a perfect solution, is a step in the right direction as the maritime shipping industry improves its impact on the environment.

One day, renewable technology may be able to replace fossil fuels in the shipping industry. But that day is not now, and won't be for many years. In the meantime, LNG is a better choice – as evident by the SEIS.

The maritime industry is investing heavily in LNG as a better alternative to the heavy fuel currently used in ships. Most new, large ships are being built with dual fuel capability and will be able to use LNG.

Exemplifying this, and largely for environmental reasons, Carnival Cruise Lines is making the transition from traditional fuels to LNG. Also, BC Ferries in Canada is now operating on LNG.

This facility will be a critical piece of our Port infrastructure. It being in the Tideflats and close to our terminal operations will help the Port remain competitive into the future. Local investment in LNG means that in the future, cleaner ships will call our port and the use of LNG will improve local air quality. Emissions of particulate matter, a clear human health hazard, will be very substantially reduced by switching to LNG. Those of us living through the last two summer fire seasons know the value of reducing particulate emissions. In fact, the ports of Seattle, Tacoma and Port Metro Vancouver have worked in partnership for over a decade to collectively reduce emissions associated with our operations. While the focus has been on trucks and yard equipment, moving ships to cleaner fuels is a significant step forward. Switching to LNG will mean cleaner air for the men and women working in the Tideflats and the local community.

The port is encouraged that while the authors of the study took a conservative approach to the analysis, they still demonstrated that the life cycle Greenhouse Gas (GHG) emissions would be reduced by displacing the use of diesel fuel with natural gas. And while that reduction is not as steep as a less conservative approach may have found, it is important nonetheless.

The Port provides the following specific comments:

- PSCAA used the correct approach to modeling emissions: The approach PSCAA used
 in doing this analysis is consistent with the approach prescribed in the Kyoto Protocol,
 Paris Climate Accord, U.S. Environmental Protection Agency, Washington State
 Department of Ecology and its own policies. To deviate from that approach would
 constitute policy making via project analysis, which is inconsistent with Chapter 34.05
 RCW, Administrative Procedures Regarding Rule Making, among others.
- Tacoma Power vs. Washington State Emission Factor: Tacoma Power produces some of the lowest climate footprint electricity in the state (or in the world, for that matter). We are very proud of their efforts on this front and believe the final analysis should include Tacoma Power's actual GHG emission factor and not the state average. Further, the Port pays a monthly premium to Tacoma Power to purchase electricity from their renewable portfolio. TPU has been a leader on this front for years. Please use their specific GHG emission factor within the final analysis. While it likely will not change the numbers significantly, it will give Tacoma Power their due credit for producing electricity with a very low GHG footprint.
- <u>Dictating Commodity Source</u>: Normally the Port would strenuously oppose any
 suggestion of dictating where a commodity is purchased and restricting free and open
 markets. However, given the current federal administration's abandonment of the
 methane standards for the oil and gas industry and British Colombia's (BC) care and
 attention to the matter, we understand why the authors suggested restricting gas
 purchases to BC.

Again, thank you for the opportunity to comment on this DSEIS. Overall, we believe the authors and PSCAA did an excellent job of focusing on the specific question at hand and applying a rigorous approach to a difficult modeling problem. The Port of Tacoma remains firmly committed to helping the maritime industry reduce the negative impacts to air quality and human health, as well as reduce GHG emissions through multiple efforts, including switching to cleaner fuels.

Port of Tacoma Commission

Don Meyer Don Johnson John McCarthy First Assistant Secretary

Dick Marzano Second Assistant Secretary

cc: Mavor Woodards

Sincerely,

City of Tacoma Councilmembers