



**KING COUNTY**

1200 King County Courthouse  
516 Third Avenue  
Seattle, WA 98104

**Signature Report**

**September 9, 2015**

**Ordinance 18106**

**Proposed No. 2015-0329.2**

**Sponsors Phillips**

1 AN ORDINANCE relating to the King County Metro  
2 transit carbon offset program; and amending Ordinance  
3 17971, Section 2, and K.C.C. 28.30.010, and Ordinance  
4 17971, Section 4, and K.C.C. 28.30.030.

5 STATEMENT OF FACTS:

- 6 1. King County Metro transit operates a fleet of one hundred fifty-nine  
7 electric trolley buses in the city of Seattle. Beginning in 2016, it will also  
8 operate two battery buses and may operate significantly more in the future.
- 9 2. The electric trolley buses have over twenty million boardings per year  
10 and are a major component of the public transportation system.
- 11 3. The electric trolley bus fleet consumes an estimated eighteen million  
12 kilowatt hours of electricity each year, from renewably-derived electricity  
13 sources.
- 14 4. The transmitted 2015 King County Strategic Climate Action Plan  
15 reports that Metro transit has been exploring options to monetize the use  
16 and savings of fuel resources to operate its fleets, such as selling credits  
17 from the use of renewable or low carbon fuels.
- 18 5. Under the United States Environmental Protection Agency Renewable  
19 Fuel Standard Program, transit agencies can monetize the environmental

20 attributes associated with the operation of a trolley fleet and battery-  
21 operated buses by creating a renewable identification number.

22 6. Metro transit has the potential to generate renewable identification  
23 numbers, which can be sold to a third party, based on the consumption of  
24 renewably-generated electricity used to power transit's trolley buses,  
25 future battery buses and other modes of transportation.

26 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

27 SECTION 1. Ordinance 17971, Section 2, and K.C.C. 28.30.010 are each hereby  
28 amended to read as follows:

29 The definitions in this section apply throughout this chapter unless the context  
30 clearly requires otherwise.

31 A. "Additionality" means the principle of achieving net greenhouse gas emissions  
32 savings over and above those that would have arisen anyway in the absence of a given  
33 activity or project.

34 B. "Carbon neutral" means no net greenhouse gas emissions from operations,  
35 including when carbon offsets are applied to the emissions calculation

36 C. "Carbon offset" means a reduction in emissions of carbon dioxide or  
37 greenhouse gases made in order to mitigate for or to offset an emission made elsewhere.

38 D. "Environmental attributes" means any environmental benefit that can be  
39 monetized.

40 E. "Renewable identification number" means one of the mechanisms established  
41 to allow obligated parties to demonstrate compliance with renewable fuel volume  
42 obligations established under the Energy Policy Act of 2005 (Public Law 109-58) and the

43 Energy Independence and Security Act of 2007 (Public Law 110-140). A renewable  
44 identification number is assigned to a unit of renewable fuel for purposes of tracking its  
45 production and use. Once the unit of fuel is consumed, the renewable identification  
46 number can be used to satisfy renewable fuel obligations and can be sold or traded to  
47 obligated parties to satisfy their renewable fuel obligations in current or future years.

48 F. "Transit carbon offset" means an investment by the transit division that results  
49 in a reduction of greenhouse gas emissions beyond standard operations, thereby  
50 achieving additionality.

51 SECTION 2. Ordinance 17971, Section 4, and K.C.C. 28.30.030 are each hereby  
52 amended to read as follows:

53 A. The King County Metro transit carbon offset and environmental attributes  
54 program is hereby created and shall be administered by the transit division.

55 B. Transit carbon offsets shall be reviewed by an independent third-party  
56 organization with proven experience in emission mitigation activities to ensure that  
57 transit carbon offsets meet the requirements of RCW 36.01.250.

58 C. The transit division shall ~~((also))~~ make carbon offsets or environmental  
59 attributes available for purchase by individuals or public or private entities, if doing so is  
60 likely to be financially beneficial to the division.

61 D. ~~((The transit division shall make carbon offsets available for purchase to the~~  
62 ~~wastewater treatment division and the solid waste division as a means for those divisions~~  
63 ~~to reduce their greenhouse gas emissions.))~~ The wastewater treatment division and the  
64 solid waste division shall evaluate the purchase of transit division carbon offsets, as  
65 necessary, to achieve the requirements of this chapter.

66 E. When purchasing carbon offsets, the wastewater treatment division and the  
67 solid waste division shall ensure the offsets meet the requirements of RCW 36.01.250. In  
68 purchasing offsets, the wastewater treatment division and the solid waste divisions shall  
69 purchase offsets from ~~((to))~~ the transit division before purchasing carbon offsets from  
70 outside of the county if transit division offsets are comparably priced.

71 F. Revenue from the sale of carbon offsets or environmental attributes shall be  
72 used by the transit division solely for the purposes of reducing greenhouse gas emissions  
73 through providing additional transit service hours or investments that reduce the  
74 greenhouse gas emissions from transit operations beyond standard operations, thereby  
75 achieving additionality.

76 G. The executive shall ensure that transit carbon offsets or other environmental  
77 attributes are not double counted in calculating the greenhouse gas emissions for King  
78 County.

79 SECTION 3. A. The "Feasibility Evaluation of the Sale of Metro Transit Carbon  
80 Offsets" filed with the council on June 1, 2015, is hereby acknowledged.

81 B.1. The executive shall prepare a follow-up report to the council by December  
82 1, 2015, evaluating potential revenues to transit if either a low carbon fuel standard, such  
83 as is used in California and British Columbia, or a cap and trade system, such as in  
84 California, or both, were enacted in Washington.

85 2. The executive must file the report in the form of a paper original and an  
86 electronic copy with the clerk of the council, who shall retain the original and provide an  
87 electronic copy to all councilmembers, the council chief of staff, the policy staff director

88 and the lead staff for the transportation, economy and environment committee, or its  
89 successor.

90 C.1. The executive shall report to council by December 1, 2015, on its proposed  
91 option for monetizing the renewable identification numbers that might come from the  
92 operation of the transit division's electric trolley fleet and battery buses operated with  
93 renewably-generated electricity. The report shall propose a process that maximizes  
94 financial returns, provides a stable revenue source and explains how the proposed  
95 transaction process ensures both maximum price and transparency. The report shall also  
96 describe options for the marketing of renewable identification numbers. The council  
97 intends to take action on any proposed contract for the sale of renewable identification  
98 numbers only after receipt of the reports required in this section.

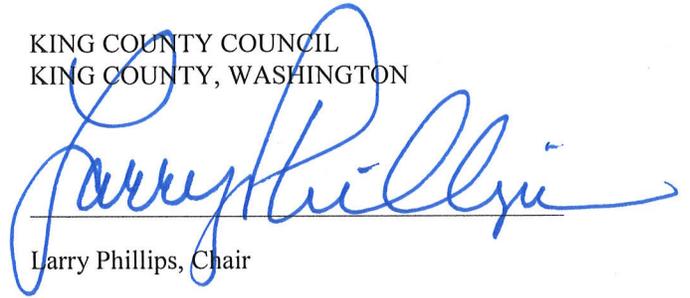
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102 and the lead staff for the transportation, economy and environment committee, or its  
103 successor.  
104

Ordinance 18106 was introduced on and passed by the Metropolitan King County Council on 9/8/2015, by the following vote:

Yes: 8 - Mr. Phillips, Mr. von Reichbauer, Mr. Gossett, Ms. Lambert, Mr. Dunn, Mr. McDermott, Mr. Dembowski and Mr. Upthegrove  
No: 0  
Excused: 1 - Ms. Hague

KING COUNTY COUNCIL  
KING COUNTY, WASHINGTON



Larry Phillips, Chair

ATTEST:



Anne Noris, Clerk of the Council

APPROVED this 18<sup>th</sup> day of September 2015.



Dow Constantine, County Executive

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Attachments: None