



## Legislation Text

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Clerk 08/26/2016

AN ORDINANCE relating to the sale of environmental attributes held by the county; authorizing the transit division to enter into an agreement with Element Markets Renewable Energy, LLC, for the sale of Renewable Identification Numbers and other environmental attributes associated with the transit division's electric trolley and battery bus fleets.

### STATEMENT OF FACTS:

1. The transit division operates a fleet of one hundred fifty-nine electric trolley buses in the city of Seattle. In 2016, it will also operate three battery buses and may operate significantly more in the future.
2. The electric trolley buses operated by the transit division have over twenty million boardings per year and are a major component of the public transportation system.
3. Under the United States Environmental Protection Agency's Renewable Fuel Standards Program, consumption of renewably generated electricity to power the trolley buses and the battery buses has the potential to create Renewable Identification Numbers ("RINs"), which can be sold to companies that blend gasoline for the retail market and have Environmental Protection Agency-mandated Renewable Fuel Obligations.
4. The transit division's trolley bus fleet consumes an estimated eighteen million kilowatt hours of electricity each year, which is equal to approximately 797,600 RINs.
5. On March 19, 2015, the transit division issued a request for proposals for the sale of RINs

and other environmental attributes associated with the transit division's electric trolley and battery bus fleets.

6. The transit division has negotiated a contract with an outside party for the sale of RINs and other environmental attributes associated with the transit division's electric trolley and battery bus fleets. The contract also provides an option for the sale of RINS generated by other King County departments and divisions. Finally, the contract allows other governments to use the contract's terms and conditions for their own separate contracts with Element Markets.

7. The contract for the sale of RINs and other environmental attributes associated with the Metro Transit Division's electric trolley and battery bus fleets with Element Markets Renewable Energy, LLC is in the best interest of the county.

8. Other county departments or divisions may utilize this contract to sell their RINs and other environmental attributes.

9. In accordance with the King County charter section 230.10.10, revenues received by the transit division from the sale of RINs associated with its electric trolley and battery bus fleets may only be used for specified purposes.

10. Under K.C.C chapter 4.56, sales of rights, title or interests in emissions credits, offsets or allowances or renewable energy certificates, credits, benefits, environmental air quality credits and any similar rights, title or interests held by the county are exempt from the real and personal property requirements of this chapter when unique circumstances are present. The sales may be made in the best interests of the public to a person or entity through a direct agreement negotiated by the county executive and approved by the county council.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

**SECTION 1. Findings:** King County council hereby finds that the sale of Renewable Identification

Numbers and other environmental attributes held by the county and associated with the transit division's

electric trolley and battery bus fleets, or by other King County departments and divisions is in the best interests of the public.

SECTION 2. The executive is hereby authorized to execute a Renewable Energy Attributes Contract with Element Markets Renewable Energy, LLC, substantially in the form of Attachment A to this ordinance.

SECTION 3. Revenues from the sale of Renewable Identification Numbers shall be allocated to the originating department or division and shall be used to further the goals outlined in the 2015 Strategic Climate Action Plan as applicable to the originating department or division.