

DATE

Dear Mayor Woodards and Members of the City Council:

While the Tacoma Public Utility Board (PUB) does not typically comment on proposed land use regulations of the City of Tacoma, we appreciate the opportunity to provide information regarding specific aspects of the Planning Commission's recommended Tideflats non-interim ordinance. Our comments are not intended to relay a position on the entirety of the Planning Commission's recommendations, but rather to convey information on specific areas that could impact Tacoma Public Utilities' (TPU) policies and strategic directives.

TPU is proud to be able to provide our customers with clean, renewable and 98% carbon-free power. This is an asset to the City of Tacoma and all of Tacoma Power's customers, however the value of our hydropower is not reflected in the proposed ordinance. In the proposed non-interim ordinance our clean hydropower is not included in the definition of renewable fuels, whereas wind and solar are included. In addition, for consistency and efficiency we recommend that the land use regulations align with the Washington State Clean Fuel Program that will establish a carbon-intensity standard by rule.

The PUB has approved strategic directives addressing environmental leadership, decarbonization and economic development. In summary, the purposes of these directives are:

Environmental Leadership - TPU is committed to being good stewards of the region's natural resources, and is a leader in the preservation, protection, and restoration of those resources while maintaining its excellent delivery of services and supporting the growth of our local economy.

Decarbonization – TPU seeks to be a leader in decarbonization. TPU believes that decarbonization is a vital tool to address the public emergency of climate change, and will help to minimize the harm to current and future generations.

Economic Development – TPU supplies critical resources to communities it serves, and provides the foundation for building a strong and resilient economy.

In addition to our strategic directives, the PUB joined the Tacoma City Council in supporting Council Resolution 40509, which declares a climate emergency in Tacoma, and prioritizes strategies and actions for improving environmental quality.

While recognizing that a climate emergency exists, action must also be taken to protect our limited industrial lands, and support the development of industries that will provide a resilient and sustainable economy, good paying jobs and preserve our environment. To that end, in November 2020, the PUB and the Tacoma City Council approved a Tacoma Power pilot tariff rate focused on promoting the development of "electrofuel" production which consists of renewable, non-carbon fuels aimed at decarbonizing transportation and energy generation and storage. This tariff reflects TPU's commitment to attracting industries that will provide a clean, green and sustainable future.

The proposed ordinance's requirement for a Conditional Use Permit (CUP) for projects that would meet the above proposed renewable fuels definition presents a hurdle that could create regulatory uncertainty and hinders these types of investments in our community. We strongly encourage you to consider replacing the CUP requirement with a more certain permitting process for projects that meet the proposed renewable fuels definition in the PMI and M2 zones. Making our City a leader in attracting clean, green industries should be a top priority.

In conclusion, we recognize and appreciate the hard work of the Planning Commission and City staff in developing the proposed non-interim Tideflats regulations, and your efforts to make this an inclusive process. The PUB supports the principles of achieving a resilient and sustainable economy that ensures equity and preserves, protects and restores our environment.

Sincerely

/s/

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