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July 20, 2020

Chair Bryan Flint and Board Members
Tacoma Public Utilities
3628 S. 35th St.
Tacoma WA 98409

Sent by e-mail and by USPS

RE: Comment letter in support of TPU Transportation Electrification Strategic Plan

Dear Chair Flint and Tacoma Public Utility Board Members:

I am writing on behalf of the Port of Tacoma to express support for the Transportation Electrification Strategic Plan and associated Action Plan to be presented at the July 22, 2020 Public Utilities Board meeting. Incentives and other funding mechanisms, such as those described in the Tacoma Power Transportation Electrification Strategy, will be essential for our efforts to decarbonize goods movement operations at the Port and connected supply chain.

The Port of Tacoma is committed to doing business in a way that protects the environment and demonstrates economic and social responsibility. Recognizing the importance of reducing air pollutant and greenhouse gas emissions, the Port of Tacoma, along with the Port of Seattle, Port of Vancouver B.C., and agency partners that include the Puget Sound Clean Air Agency, Washington State Department of Ecology, and EPA proactively created the Northwest Ports Clean Air Strategy in 2008. The strategy laid out a suite of actions and targets that would go beyond regulations to facilitate emission reductions from the ports and connected industries.

As of our most recent inventory from 2016, our greenhouse gas (GHG) emissions are down 16 percent overall and the intensity of emissions, or emissions per ton of cargo moved, are down 19 percent when compared to 2005 levels. Significant reductions in air pollutant emissions were also achieved, as diesel particulate matter emissions decreased 80 percent over the same timeframe. These achievements are a result of federal and international policies, industry actions, and port programs, like ship shore power, our Clean Truck Program, and cargo handling equipment upgrades.

Recognizing that there is still significant work to be done if we are to meet the Paris Accord goals, the Port of Tacoma Commission adopted a GHG resolution in 2017 that set goals of a 50 percent reduction in emissions by 2030 and an 80 percent reduction in emissions by 2050, striving for carbon neutrality for our direct operations.

In order to meet our GHG goals, significant deployment of new technology is necessary including further deployment of shore power for ships, as well as zero emission cargo handling equipment and drayage trucks. Most of the emerging zero emission technologies rely on electricity. As we work towards our GHG goals it is important that we remain competitive in the global and west coast marketplaces, ensuring our economic sustainability and that we can continue creating jobs for the citizens of Pierce County. This is especially challenging because goods movement applications are more energy intense than many others which makes the

vehicles, vessels, and equipment more challenging to decarbonize than lighter applications and makes the infrastructure to decarbonize them more expensive.

These challenges highlight the need for incentives to help with the costs of infrastructure to connect port equipment and vessels to the grid and to offset the higher cost of emerging technologies and get them working in real world applications.

Over the next two years, the Northwest Seaport Alliance will conduct a study to identify the infrastructure needs to support electrified terminal operations at Port of Tacoma. This planning effort will support our strategy for building shore power infrastructure at our major container terminals by 2030 and identify the best immediate opportunities to support implementation of electric cargo handling equipment and drayage trucks.

We are very appreciative of ongoing collaboration with Tacoma Power on shore power projects and recognize the importance of further collaboration when exploring electrification in other sectors of our operations.


Given the newly granted authority for utilities to fund transportation electrification via HB 1512 and your clean energy portfolio, Tacoma Power now has the ability to directly help all sectors of our economy and local community move towards decarbonization. We commend your intent, as laid out in the Electrification Action Plan, to support a broad range of programs to ensure that all customers have access to incentive funding.

Specific elements of the plan that will help our decarbonization efforts are:

- Openness to non-traditional rate design. We appreciate your receptiveness and work to design a shore power rate that will support shore power use by the marine carriers.
- Continued commitment to shore power for ships in Tacoma.
- Support for port electrification including cargo-handling equipment, heavy duty trucks, and railyard equipment.
- Funding for pilot projects.

Given the urgency to address climate change and the need across all sectors for incentive funding to support adoption of new technology, I would like to reiterate our support for your efforts in developing and implementing the Transportation Electrification Strategy.

Sincerely,



John McCarthy
Port of Tacoma Commission President