

POTENTIAL 2021 TIDEFATS NON-INTERIM REGULATIONS AMENDMENTS

MOTION: 1. New and Expanded Cleaner Fuel Facilities Permitted

I move to allow through the normal permitting process, infrastructure for the production, storage, transportation and transshipment of fuels that are carbon-free and generate no carbon emissions including green hydrogen and other carbon-free fuels produced with renewable electricity such as hydroelectric power, and fuels that are approved by the US Environmental Protection Agency under the federal Renewable Fuel Standard program, or under Washington State Law, including credit generating fuels under the Clean Fuel Standard (CFS) program, this includes infrastructure for:

- a. Any credit generating fuel under the Washington CFS.
- b. Any EPA approved and listed fuel under the RFS.
- c. Renewable diesel meeting Washington State requirements.
- d. Ethanol and E85 blends meeting Washington State requirements.
- e. natural gas, propane, green hydrogen, or electricity, produced or stored for use as fuels in a motor vehicle that meet California motor vehicle emission standards as defined in Washington State law.

MOTION 1. Draft Code

Definitions

“Cleaner Fuels” shall mean carbon-free fuels that generate no carbon emissions including green hydrogen, any credit generating fuel under the Washington Clean Fuel Standard, any blends of EPA approved and listed fuel under the federal Renewable Fuel Standard, any Renewable Diesel meeting the requirements of Washington State law, any Ethanol and E85 blends meeting the requirements of Washington State law, any natural gas, propane, green hydrogen, or electricity, produced or stored for use as fuels in a motor vehicle that meeting the motor vehicle emission standards for Alternative Fuels in Washington State law.

“Enhanced SEPA Review” shall mean additions to the standard SEPA review process and checklist for project proposals governed by this chapter to be promulgated and updated from time to time by the Director. Such additions to the SEPA review process and checklist shall include but not be limited to; a public meeting for a SEPA application, which occurs after SEPA determination that an application is complete but prior to issuance of a preliminary threshold determination; an expanded Notice Distribution List to include direct mailing to taxpayers and occupants, consistent with Land Use Permits; expanded Public Notification Distance for Direct Mailing to 2500’ from the Manufacturing and Industrial Center, consistent with Land Use Permits; expanded Notification Period and Comment Period for SEPA to 30 days for Consistency with Land Use Permits, and a supplemental checklist specific to SEPA review of fuel production and or chemical manufacturing. To ensure application of this Enhanced SEPA review, the City of Tacoma shall be SEPA lead agency for all fuel-related projects permitted under this chapter.

“Expanded Cleaner Fuel Infrastructure” shall mean the expansion of storage infrastructure including tankage constructed prior to effective date of this chapter to store petroleum, where the expansion of such petroleum storage infrastructure is for the sole purpose of blending petroleum with biomass and other cleaner fuels in the production of cleaner fuels.

“Green Hydrogen” shall mean hydrogen produced through electrolysis powered by renewable electricity, specifically including hydroelectric power.

“New Cleaner Fuel Infrastructure” shall mean new infrastructure for the production, storage, transportation and transshipment of Cleaner Fuels as defined herein, including infrastructure for blending biomass and other cleaner fuels with petroleum. New Cleaner Fuel Infrastructure shall not include new tankage for petroleum storage.

“Petroleum” shall mean crude oil, petroleum products and byproducts, and gaseous hydrocarbons and byproducts.

“Storage Capacity” shall be defined as gallons of petroleum capable of being stored within the entirety of the applicant’s facility for purposes of measuring expansion as allowed herein.

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New and Expanded Cleaner Fuel Infrastructure as defined in this chapter shall be allowed through the standard permitting process with the City of Tacoma acting as SEPA lead agency, subject to an enhanced SEPA checklist to be implemented and updated from time to time by the Director, and subject to the following requirements.

1. Any New or Expanded Cleaner Fuel Infrastructure permitted through this chapter shall not be repurposed for production, storage, transportation and transshipment of petroleum. Total or partial conversion of permitted Cleaner Fuel Infrastructure shall constitute grounds for permit revocation and civil enforcement.
2. Any Expanded Cleaner Fuel Infrastructure permitted through this chapter, in combination with any other expansion of petroleum storage allowed under this chapter, shall not exceed a cumulative total increase of fifteen percent (15%) more storage over the applicant’s total petroleum storage on the effective date of this chapter.

MOTION 2. Limited Petroleum Fuel Facility Expansion Permitted

I move to allow through the normal permitting process the expansion of existing petroleum production, storage, transportation and transshipment that does not increase the applicant’s petroleum storage capacity by more than fifteen percent (15%) over the applicant’s storage capacity at the effective date of these regulations.

MOTION 2. Draft Code

Expansion of petroleum storage shall be allowed through the standard permitting process with the City of Tacoma acting as SEPA lead agency, subject to an enhanced SEPA checklist to be implemented and updated from time to time by the Director. Any expanded petroleum storage

permitted through this chapter, in combination with any other expansion of petroleum storage allowed under this chapter, shall not exceed a cumulative total increase of fifteen percent (15%) more storage over the applicant's total petroleum storage on the effective date of this chapter.

MOTION 3. Petroleum Fuel Facility Projects for Maintenance, Safety, Security, or Required to Meet Regulatory Changes

I move to allow through the normal permitting process, replacements and improvements to existing petroleum fuel facilities which, maintain, or improve the safety or security of the facility, or allow the facility to meet new regulatory requirements including the State Clean Fuel Standard, including infrastructure which reduces air emissions and storm water runoff.

MOTION 3. Draft Code

Replacement of and improvements to existing petroleum infrastructure shall be allowed through the standard permitting process with the City of Tacoma acting as SEPA lead agency, subject to an enhanced SEPA checklist to be implemented and updated from time to time by the Director, for maintenance, for improvement of the safety or security of the infrastructure, decrease air or water emissions, or to allow the infrastructure to meet new regulatory requirements.

MOTION 4. National Security Petroleum Fuel Facilities

I move to allow expansion, modifications and additions to existing petroleum fuel facilities through the normal permitting process, where the project is requested in writing by the Department of Defense supporting Joint Base Lewis McChord, Naval Region Northwest Installations or other national defense needs.

MOTION 4. Draft Code

Definition

"Department of Defense" shall mean the United States Department of Defense ("DOD") and any subdivision including the Defense Logistics Agency.

Code

Expansion of production, storage, transportation and transshipment of petroleum fuels when requested in writing by the Department of Defense supporting Joint Base Lewis McChord, Naval Region Northwest Installations or other national defense needs shall be allowed through the standard permitting process with the City of Tacoma acting as SEPA lead agency, subject to an enhanced SEPA checklist to be implemented and updated from time to time by the Director.

MOTION 5. Marine Vessels Petroleum Fuel Facilities

I move to allow through the normal permitting process expansion to existing petroleum fuel facilities by no more than 15% over their capacity at the effective date of these regulations to produce or store maritime fuels that comply with the International Convention for the Prevention of Pollution from Ships ("MARPOL") Annex VI.

MOTION 5. Draft Code

Expansion of existing production and storage facilities for maritime fuels that comply with the International Convention for the Prevention of Pollution from Ships ("MARPOL") Annex VI shall be allowed through the standard permitting process where the project is requested in writing by a marine bunkering company or ocean carrier serving Puget Sound, with the City of Tacoma acting as SEPA lead agency, subject to an enhanced SEPA checklist to be implemented and updated from time to time by the Director and subject to the following requirements.

1. Any expanded maritime fuel infrastructure permitted through this chapter shall not be repurposed for production, storage, transportation and transshipment of fuels not meeting MARPOL Annex VI. Total or partial conversion of permitted marine fuel infrastructure shall constitute grounds for permit revocation and civil enforcement.

2. Any expansion of existing production or storage petroleum for maritime fuel expansion permitted through this chapter, in combination with any other expansion of petroleum storage allowed under this chapter, shall not exceed a cumulative total increase of fifteen percent (15%) more storage over the applicant's total petroleum storage on the effective date of this chapter.

MOTION 6. Projects which have undergone Environmental Review and Mitigated Impacts

I move to allow additions to existing petroleum fuel facilities which would create the maximum proposed capacity of a facility that was the subject of an EIS prepared and published by the City under RCW 43.21C and TMC Ch. 13.12 on or before June 2, 2021 and for which the City has accepted on or before June 2, 2021, all funds that fully mitigate the adverse environmental impacts of the facility's maximum capacity pursuant to a Mitigation Agreement between the City and the facility proponent.

MOTION 6. Draft Code

Expansion of or addition to existing petroleum fuel facilities is allowed through the normal permitting process when the particular expansion would create the maximum proposed capacity of a facility that was the subject of an Environmental Impact Statement prepared and published by the City under RCW 43.21C and TMC Ch. 13.12 on or before June 2, 2021, and for which the City has accepted on or before June 2, 2021, all funds that fully mitigate the adverse environmental impacts of the facility's maximum capacity pursuant to a Mitigation Agreement between the City and the facility proponent.

MOTION 7. Financial Assurances

I move to add a financial assurance requirement that an applicant must provide proof of financial assurance sufficient to comply with the financial responsibility requirements set forth in any State and federal law applicable to their project.

MOTION 7. Draft Code

An applicant must provide proof of financial assurance (such as trust funds, letters of credit, insurance, self-insurance, financial tests, corporate guarantees, payment bonds or performance bonds) sufficient to comply with the financial responsibility requirements set forth in any State and federal law applicable to their proposed project. If the applicant relies on an insurance policy for compliance with a State or federal financial assurance requirement, the applicant must add the City of Tacoma as an additional insured as a condition of permit issuance.