2021 TIDEFLATS NON-INTERIM REGULATIONS AMENDMENTS

ALT. #2

MOTION: 1. New and Expanded Cleaner Fuel Facilities Conditionally Permitted

I move to allow through a conditional use permit process, including enhanced SEPA review where applicable, 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 that can be demonstrated to be credit generating through the life of the CFS, or 2035, whichever is longer.
- b. Any EPA approved and listed fuel under the RFS, if such fuel is also credit generating under the WA state CFS.
- c. Credit generating Renewable diesel, as described in subsection (a.) above, meeting Washington State requirements under the CFS.
 - d. Green hydrogen, or electricity, produced or stored for use as fuels in a motor vehicle that meet California motor vehicle emission standards as described in Washington State law.

MOTION 1. DRAFT CODE

Definitions

"Cleaner Fuels" shall mean carbon-free fuels that generate no carbon emissions including hydrogen, any credit generating fuel under the life of the Washington Clean Fuel Standard, or 2035, whichever is longer, any credit generating blends of EPA approved and listed fuel under the federal Renewable Fuel Standard so long as they are credit generating under the WA CFS for the life of the standard, or 2035, whichever is longer, any Renewable Diesel meeting the requirements of Washington State law so long as they are credit generating under the WA CFS for the life of the standard, or 2035, whichever is longer, any 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.

"Dirty Fuel" shall mean any fuels not meeting the Cleaner Fuels definition.

"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 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.

"Expanded Cleaner Fuel Infrastructure" shall mean the expansion of storage infrastructure including tankage constructed prior to effective date of this chapter to store credit generating fuels under the WA state CFS, where the expansion of such storage infrastructure is for the sole purpose of blending petroleum with biomass and other cleaner fuels in the production of cleaner fuels to meet the credit generating CFS standard through 2035 or the life of the standard, whichever is longer .

"New Cleaner Fuel Infrastructure" shall mean new infrastructure for the production, storage, transportation and transshipment of Cleaner Fuels as defined herein.. New Cleaner Fuel Infrastructure shall not include new tankage for petroleum storage.

"Dirty Petroleum" shall mean crude oil, petroleum products and byproducts, and gaseous hydrocarbons and byproducts, and any other fuel not meeting the definition of Cleaner Fuels as defined herein.

"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.

Code

New and Expanded Cleaner Fuel Infrastructure as defined in this chapter shall be allowed through the conditional use permit process, 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. All petroleum and related fuel facilities and activities, as well as any fuel facility and activity related to fuels that are projected to become deficit fuels under the WA State CFS standard are declared non-conforming and subject to TMC XX.XX (non conforming use chapter section). Such uses are not allowed to expand capacity under this code.
- 2. 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.
- 3. Any Expanded Cleaner Fuel Infrastructure permitted through 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. Facilities permitted under this section shall provide independently verifiable data demonstrating the average through put volume of traditional petroleum fuels on site from the previous five (5) years and shall provide a concurrent 15% reduction in volume through put of dirty petroleum from the facility.
- 4. All projects expanding under this chapter shall be subject to a climate impact analysis to ensure documentation of carbon impacts of the project for full offset. Each project shall fully offset lifecycle carbon and GHG emissions of the project impacts through measures such as,

but not limited to, a carbon reduction credits program, physical improvements that reduce carbon emissions, local renewable energy projects, reducing emissions from buildings and transportation networks in the city, a fee in lieu program to local agencies where the in lieu fee program would construct projects meant to reduce carbon emission in the city, consistent with the city's climate action plan.

MOTION 2.-Requirements to zero carbon emissions by 2050

I move to establish a regulatory licensing system for all fossil fuel, petroleum facilities, cleaner fuel facilities and any other facility types under these regulations that requires annual reporting on steps to reductions of GHG and carbon emissions toward zero emissions by 2050.

MOTION 2. DRAFT CODE

All facilities are required to reduce and offset greenhouse gas emissions by 45% by 2030 and 100% by 2050, from year 2008 emissions, and must develop plans with reduction targets for each year, and report progress on an annual basis submitted to the city.

MOTION 3. <u>Dirty Petroleum Fuel Facility Projects for Maintenance, Safety, Security, or Required to Meet Regulatory Changes</u>

I move to allow through the typical permitting processes allowed for repair and maintenance of non-conforming uses, including SEPA review where applicable, replacements and improvements to existing dirty 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 reduces and/or treats storm water runoff.

MOTION 3. DRAFT CODE

Replacement of and improvements to existing dirty petroleum infrastructure shall be allowed through the typical permitting process as allowed for non-conforming uses, subject to an enhanced SEPA checklist to be implemented and updated from time to time by the Director, for repairs, 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. Any replacement of and improvements to existing dirty petroleum infrastructure permitted through this chapter, in combination with any other expansion of petroleum storage allowed under this chapter, shall not increase in any way the storage capacity or through put volume over the applicant's total petroleum storage or through put volume on the effective date of this chapter.

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, including SEPA review where applicable, where the project is requested in writing by the Department of Defense supporting Joint Base Lewis McChord, Naval Region Northwest Installations under the National Defense Production Act only.

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 under the National Defense Production Act only, shall be allowed through a conditional use permit process, subject to an enhanced SEPA checklist to be implemented and updated from time to time by the Director,

MOTION 5. 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 5. 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.

MOTION 6.-Expanded Environmental Checklist

I move to require additional analysis of air quality impacts, greenhouse gas emissions caused on any project under this code for any project permitted, and risk and hazards analysis for health and safety purposes to protect public safety.

MOTION 6. DRAFT CODE

Air and environmental health are elements of the environment in WAC 197-11-444 and subjects addressed in WAC 197-11-960, Environmental Checklist. As provided in WAC 197-11-906(1)(c), City of Tacoma hereby adds a procedure and criteria to help identify the affected environment, impacts, and potential mitigation regarding air quality and climate and risks from spills and/or explosions for any proposed expansion of Cleaner Fuels Infrastructure Projects and repairs, maintenance or other permitted activities to non conforming petroleum fuel facilities.