



Motion

- □ Authorize CEO to sign 2018 agreement with Puget Sound Energy (PSE) to enroll additional Sound Transit PSE electricity accounts in Green Direct Program.
- □ Authorize CEO to sign amendment that lowers the price of the 2017 Green Direct agreement.





Green Direct



A utility program, approved by WA Utilities and Transportation Commission that creates fixed-rate, long-term contracts to buy locally produced renewable energy directly from Puget Sound Energy (PSE).



Background

2007 - Sustainability Initiative (R2007-12)

Sustainability will be integrated into all aspects of agency business

2011 & 2015 – Sustainability Plans

Electricity will be carbon neutral by 2030

2016 - ST3 Plan Approved

Reaffirms agency carbon neutrality commitments

2017 - PSE Green Direct Phase 1 - Board Approved

Enrolled all existing light rail utility accounts

2018 - Resource Conservation Manager hired

Increased focus on energy efficiency & carbon neutrality



Alignment Strong regional GHG commitments

Carbon Neutrality Goals

- City of Seattle gov't & community by 2050.
- King County county operations by 2025.

GHG Reduction Goals

- K4C 25% by 2020 and 50% by 2035
- WA State 1990 levels by 2020; 20% below 1990 by 2035



Overview - Green Direct Phase 1

- ✓ Board approved in January, 2017
- ✓ A 10-year power purchase agreement starting in 2019
- ✓ Wind energy project Lewis County
- ✓ 6 Link light rail accounts 6.7 million kWh of electricity
- ✓ In 2019, Link light rail will run on 100% clean energy
- ✓ No capital cost



Motion - Amendment to Green Direct Phase 1

Recommendation: Authorize CEO to sign amendment letter to Green Direct – Phase 1

- Participation in Phase 2 = Lower costs for Phase 1
- Reduces fixed annual inflation rate
- Projected savings expected in 2021 opposed to 2023



Motion - Enroll in Green Direct Phase 2

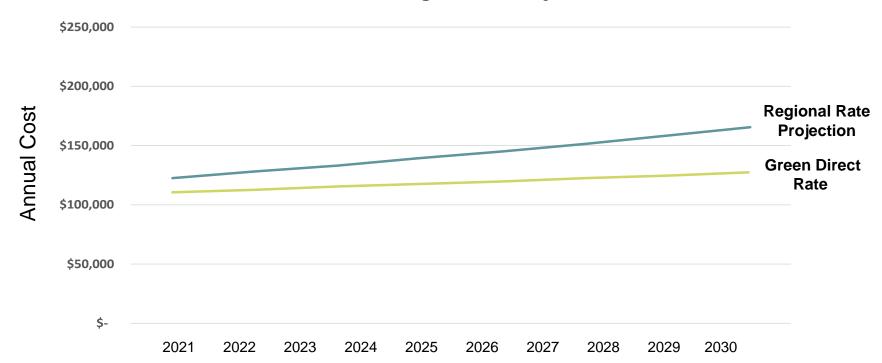
Recommendation: expand Sound Transit's participation by enrolling remaining PSE electricity accounts

- 10-year power purchase agreement starting in 2021
- 32 accounts 2.4 million kWh
- Solar energy project South Central WA
- No capital cost
- ☐ Lowers utility rates by 5%



Projected Cost Savings - Phase 2

\$196,000 savings over 10-year term



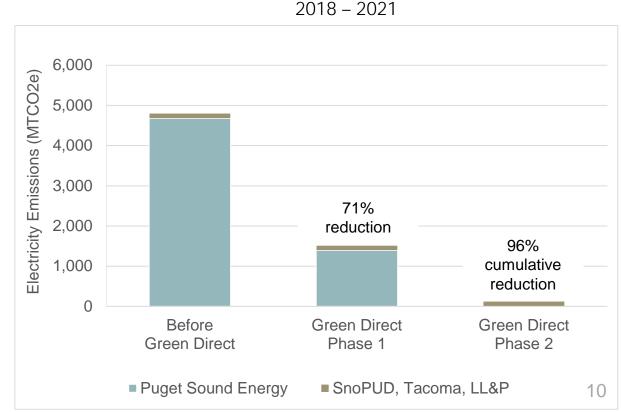


Environmental Benefit

Greenhouse Gas Emissions Reduction

 96% reduction in GHG emissions from electricity

 Most cost-effective path to reaching carbon neutrality goal

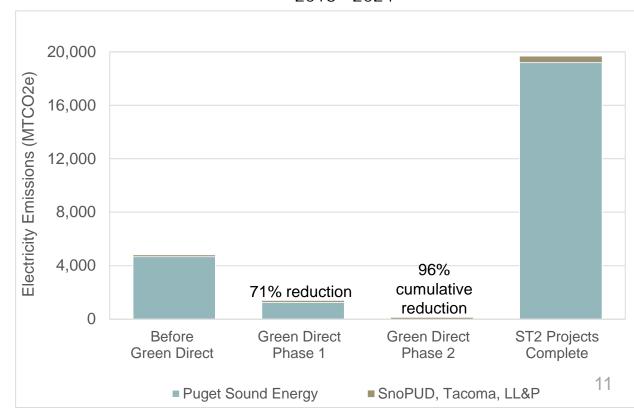




Future Challenge

- Continued growth requires ongoing efforts to evolve carbon neutral strategy
- Potential Green
 Direct Program
 expansion
 expected in
 2022/23

Greenhouse Gas Emissions after ST2 Completion 2018 - 2024





Pathways to Continued Carbon Neutrality





Summary Green Direct program

- ✓ Cost effective savings
- ✓ Benefits the environment

- ✓ Aligns with agency mission
- ✓ Demonstrates leadership

