CITY OF
BAINBRIDGE ISLAND

GREEN BUILDING TASK FORCE
SPECIAL MEETING
TUESDAY, FEBRUARY 23, 2021
3:00 – 5:00 PM
ONLINE MEETING VIA ZOOM

The Green Building Task Force (GBTF) will hold this meeting using a virtual, Zoom webinar platform, per Governor Inslee's "Stay Home, Stay Healthy" orders.

Members of the public will be able to call in to the Zoom meeting.
Please click the link below to join the webinar:

https://bainbridgewa.zoom.us/j/92131477303

Or iPhone one-tap:

US: +12532158782,,92131477303# or +16699009128,,92131477303#

Or Telephone:

Dial (for higher quality, dial a number based on your current location):

US: +1 253 215 8782 or +1 669 900 9128 or +1 346 248 7799 or +1 646 558 8656 or +1 301 715 8592 or +1 312 626 6799

Webinar ID: 921 3147 7303

International numbers available: https://bainbridgewa.zoom.us/u/acnSbCVcX4

AGENDA

3:00 PM	Call to Order (Attendance, Agenda, Ethics) Disclosure of Potential Conflicts of Interest Review & Adoption of Minutes: December 17, 2020
3:10 PM	Building Code Update (Blake Holmes)
3:15 PM	Green Building Legislation Preliminary Alternatives Framework
4:50 PM	GBTF Organization
5:00 PM	Adjourn

For special accommodations, please contact Planning & Community Development
206-780-3750 or at pcd@bainbridgewa.gov

Green Building Initiative
History Log

Date	Description
7/17/2018	CC study session on a green building incentive program
11/5/2019	CC study session on an approach to a green building code
12/3/2019	CC study session on the 2019 City of Bainbridge Island Greenhouse Gas Emissions Inventory Final Findings Report which documented that 55% of the communities overall emissions came from building energy use.
12/10/2019	CC study session on workplan for green building code options
1/7/2020	CC provided direction on GBTF recruitment and for aggressive GHG reduction
1/16/2020	CC adopted its top priorities for 2020 as well as the 2020 Citywide Work Plan which affirmed green building remains a top priority
2/4/2020	CC update on GBTF applications and selection process
3/3/2020	CC update on GBTF applications and appointment process
3/10/2020	CC advanced a slate of GBTF candidates for appointment on 3/24/2020
3/24/2020	CC appointed GBTF members
5/19/2020	CC retained the green building initiative as a City workplan priority
5/26/2020	CC adopted the goals and strategies for the Climate Action Plan presented by the City's Climate Change Advisory Committee, which includes overarching GHG reduction goals as well as goals and strategies related to green building
6/9/2020	CC declared a climate emergency (Resolution 2020-05)
6/16/2020	CC provided direction to the GBTF to recommend an interim "off the shelf" green building program (or components of a program) to be implemented before the current development moratorium expires (i.e.: Ordinance 2020-09 expires on 10/4/2020) to help with the City's greenhouse gas (GHG) emission reduction goals while a full Bainbridge Island program is developed.
7/7/2020	GBTF meeting #1
7/7/2020	CC update on GBTF schedule and startup
7/21/2020	GBTF meeting #2
8/4/2020	GBTF meeting #3
8/4/2020	CC update on GBTF
8/18/2020	GBTF meeting #4 – complete recommendations for multi-phase "Road Map" and "First Steps" ordinance
8/27/2020	GBTF meeting #5 – complete recommendations for multi-phase "Road Map" and "First Steps" ordinance
9/1/2020	CC study session #1 on GBTF recommendations
9/15/2020	CC study session #2 on GBTF recommendations • Briefly extended project timeline to complete staff review and legal analysis
9/16/2020	CCAC meeting – discuss alignment of Climate Action Plan and GBTF recommendations
11/17/2020	CC update on findings of staff review and legal analysis; next steps
12/1/2020	GBTF meeting #6
12/17/2020	GBTF meeting #7
2/2/2021	CC update on legal barriers in state law

Date	Description
	• Directed GBTF and CCAC to "provide feedback … on a suggested approach for legislative change in conjunction with other jurisdictions and using a professional lobbyist"
2/9/2021	GBTF meeting (cancelled due to lack of quorum)
2/17/2021	CCAC meeting – discuss green building legislation

Acronyms
CC = City Council
CCAC = Climate Change Advisory Committee
GBTF = Green Building Task Force
GHG = Greenhouse gas emissions

Green Building Task Force
Disclosure of Potential Conflicts of Interests

Updated July 2020

*To be read at the beginning of **each** meeting.*

As an initial note for the record, this Green Building Task Force consists of individuals with specific professional expertise in green building programs.

Members of the Task Force have provided, or will soon provide, the City with "Conflict of Interest Statements" that will be available via the Task Force's webpage.

In the interests of full disclosure and transparency, we will begin this meeting by asking each member of the Task Force to disclose whether they, or a member of their immediate family, have any direct or indirect contractual employment, financial or private interests, or other potential conflicts of interest in, or related to, any of the green building programs or other agenda items scheduled to be discussed at today's meeting.

[*Each Task Force member must verbally state their disclosure(s)*]

Having heard the disclosure(s) of your colleagues, are there any objections to the members of the Task Force in attendance proceeding with the agenda for today's meeting?

[*Pause for objections*]

[*If no objection*] Hearing no objection, by unanimous consent all members of the Task Force in attendance will fully participate in today's agenda.

[*If objection, the members should discuss their concerns. Individual members could agree to recuse themselves from discussion of specific agenda items, as may be warranted.*] Having discussed the objection(s) raised, all those in favor of proceeding in the manner discussed please signify by saying "aye." All those opposed?

CITY OF
BAINBRIDGE ISLAND

Green Building Task Force
Regularly Scheduled Meeting Minutes
Tuesday, December 17, 2020

Call to Order (Attendance, Agenda, Ethics)
Review Minutes – December 1, 2020
Preliminary Draft Ordinance
Update Road Map & First Steps
Appoint Subgroup: Proforma Cost Analysis
Appoint Joint-Subgroup with CCAC: Offset Project Types
Adjourn

Call to Order (Attendance, Agenda, Ethics)
Senior Planner Peter Best called the meeting to order at 3:06 PM. Task Force members in attendance were Jonathan Davis, Kathleen O'Brien, Richard Perlot, Russ Hamlet and Marty Sievertson. Julie Kriegh, Kathleen Smith and Jason Wilkinson were absent and excused. City Council Liaison Joe Deets was present. City Staff present were Interim Building Official Blake Holmes, and Administrative Specialist Carla Lundgren who monitored the remote meeting and prepared minutes.

The agenda was reviewed and approved.

Disclosure of Potential Conflicts of Interest – Jonathan Davis, Russ Hamlet and Marty Sievertson disclosed potential conflict of interest due to association with programs/organizations/industries that may be included in the new green building code. Remaining Task Force members found no issue with the disclosures and opted to continue.

Review and Adoption of Minutes – December 1, 2020

> **Motion:** I move to adopt the minutes as presented.
> **Davis/O'Brien:** 4 yes – 0 no, 1 abstained

Preliminary Draft Ordinance
Discussion only

Update Road Map & First Steps
Discussion Only

Adjourn
The meeting was adjourned at 4:50 PM.

Objective
Green Building Task Force and Climate Change Advisory Committee to provide feedback to City Council on a suggested approach for legislative change in conjunction with other jurisdictions and using a professional lobbyist.

Bills Relevant to a COBI Green Building Program

SHB 1084 (Companion SB 5093)

Summary	• Sections 2 & 3 of the substitute house bill specifically address the biggest barrier to implementing the GBTF recommendations by:
	  ○ Removing language that currently makes the state energy code the maximum standard for residential construction; and
	  ○ Specifically allowing local governments to exceed the state energy code for residential construction.
	• Section 22 creates a heat pump and electrification program that aligns well with GBTF recommendations.
	• Other sections on natural gas are N/A because COBI does not have natural gas
	• The bill was requested by the Governor's office and has many sponsors, but our representatives are not currently sponsors

Possible Action	• Support the bill • Request our representatives to sign-on as sponsors • Request/recommend an amendment to Section 3 that would address the other barrier (delegation of authority/due process) discussed in the 2/2/2021 staff memo to CC (Attached)
Status	• A substitute house bill passed out of policy committee (attached with annotation) • Public Hearing in house Appropriations Committee (2/17 @ 1:30 PM)

HB 1103

Summary	• Establishes a requirement for certain state agencies to consider embedded carbon during purchasing for certain building construction projects. • Does not address the barriers to implementing the GBTF recommendations but does relate to a future "Phase 2" topic in the original GBTF Road Map recommendations.
Possible Action	• Support the bill
Status	• A public hearing was held but not currently scheduled for policy committee action

HB 1280

Summary	• Accelerates the timeline (to 2027 from 2031) for the state energy code to incrementally (through updates) achieve at least a 70 percent reduction in annual net energy consumption and eliminate on-site fossil fuel combustion for space heating and water heating. • The bill also creates a program to increase the use of heat pump technology. • Does not address the barriers to implementing the GBTF recommendations but does relate to a GBTF recommendation to encourage heat pump technology.
Possible Action	• Support the bill
Status	• This bill passed out of policy committee • Public hearing in house Capital Budget committee (2/17 @ 8 AM)

Framework for Determining Approach

<table>
<tr><td rowspan="2">Q1. How valuable is the bill to the City's policy goals?</td><td>Higher value</td><td>• Aggressively lobby for the bill; and
• Develop an initial phase of a local green building program which we could further built on whether (or not) the bill passes</td><td>• Aggressively lobby for the bill; and
• Delay our local green building program until the bill is adopted or dies</td></tr>
<tr><td>Lower value</td><td>• Comment on the bill; but
• Proceed as planned with developing our local green building program</td><td>• Comment on the bill; and
• Delay our local green building program until the bill is adopted or dies</td></tr>
<tr><td colspan="2"></td><td>Lower influence</td><td>Higher influence</td></tr>
<tr><td colspan="2"></td><td colspan="2">Q2. How much would the bill influence your desire to proceed or wait on developing a local Green Building program?</td></tr>
</table>

Relevant Schedule

- Legislature is currently in their long session (could be extended)
- Bills not adopted this session could be picked back up in the short session next January (2022)

Date	Title	Notes
2/2/2021	CC-SS Meeting	Direction from council
2/9/2021	House Committee on Environment & Energy	HB 1084: Committee passed a substitute bill out of committee with a recommendation to adopt (referred to Appropriations committee)
2/10/2021	BI Climate & Energy Forum Meeting	Discuss climate legislation with state legislators (sponsored by: Climate Action Bainbridge, Sustainable Bainbridge, Citizens Climate Lobby, and EcoAdapt)
2/15/2021	Leg. Session Deadline	Cutoff date for bills to pass out of their policy committee • SHB 1084 & HB 1280 have passed out of policy committee
2/17/2021	CCAC Meeting	
2/22/2021	Leg. Session Deadline	Cutoff date for bills to pass out of financial committee
2/23/2021	GBTF Meeting	
2/26/2021	COBI Deadline	Deadline for packet materials for 3/16 CC-SS meeting
3/9/2021	Leg. Session Deadline	Cutoff date for bills to pass out of their house of origin
3/16/2021	CC-SS Meeting	Target date to get policy direction from CC on: • Legislative approach • GBTF alternatives framework • GBTF organization, if applicable
3/26/2021	Leg. Session Deadline	Cutoff date for bills to pass out of the policy committee of the opposite house
4/2/2021	Leg. Session Deadline	Cutoff date for bills to pass out of the fiscal committee of the opposite house
4/11/2021	Leg. Session Deadline	Cutoff date for bills to pass out of the opposite house
4/25/2021	Leg. Session Deadline	Last day of regular session

H-0828.1

SUBSTITUTE HOUSE BILL 1084

State of Washington 67th Legislature 2021 Regular Session

By House Environment & Energy (originally sponsored by Representatives Ramel, Slatter, J. Johnson, Duerr, Fitzgibbon, Dolan, Chopp, Wylie, Bateman, Ramos, Berry, Ortiz-Self, Gregerson, Goodman, Ryu, Valdez, Callan, Kloba, Ormsby, Stonier, Fey, Macri, Peterson, Pollet, Bergquist, and Harris-Talley; by request of Office of the Governor)

READ FIRST TIME 02/10/21.

AN ACT Relating to reducing statewide greenhouse gas emissions by achieving greater decarbonization of residential and commercial buildings; amending RCW 19.27A.015, 19.27A.020, 19.27A.200, 80.28.074, 80.28.005, 80.28.110, 80.28.190, 43.21F.055, 35.92.430, and 54.16.390; amending 2007 c 349 ss 1 and 3 (uncodified); adding a new section to chapter 19.27A RCW; adding new sections to chapter 80.28 RCW; adding a new section to chapter 35.92 RCW; adding a new section to chapter 54.16 RCW; adding a new section to chapter 43.330 RCW; and creating new sections.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

NEW SECTION. **Sec. 1.** High-efficiency electric space and water heating equipment, such as electric heat pumps for space heating and electric heat pump water heaters, lower overall energy demand and system costs and improve indoor air quality and environmental outcomes.

As Washington transitions to 100 percent clean electricity, switching from fossil-fuel based heating equipment to high-efficiency electric equipment will reduce climate impacts and fuel price risks in the long term and can have a positive impact on overburdened communities.

In order to meet the statewide greenhouse gas emissions limits in RCW 70A.45.020, the state must require construction of increasingly low-emission energy efficient homes and buildings and achieve construction of zero fossil-fuel greenhouse gas emission homes and buildings by 2030. A 2020 report by the United States climate alliance found that Washington had nearly 90,000 clean energy jobs in 2019. The top categories of clean energy jobs are in the buildings sector, including: High-efficiency heating, ventilation, and air conditioning; energy efficiency technologies; and renewable heating and cooling. As the fastest growing clean energy industries in our state, work in these areas also supports job creation in other construction trades, which is a critical component of a clean energy economic recovery strategy and can increase diversity in the workforce.

Stable and predictable policy and regulatory frameworks are necessary to stimulate the critical social dialogue and collaboration to ensure a just transition for workers, including solutions to continue to provide meaningful work for skilled tradespersons, establish and sustain institutional and technical capacities to support affected workers, and mobilize funding and assistance to those in need. It is the intent of the legislature to both provide regulatory certainty and tools and resources to support the transition of companies that engage in the distribution of fossil fuels for residential and commercial heating, and to workers who are employed in the sectors affected by the transition to cleaner heating sources.

In order to have a comprehensive understanding of the need and potential for updating the building stock, more robust benchmarking and reporting for building performance, operations, and maintenance is needed. While the state has adopted comprehensive reporting requirements for larger commercial buildings, it currently lacks similar requirements for smaller commercial buildings. It is the intent of the legislature to extend existing building benchmarking and operations and maintenance planning requirements to smaller commercial buildings, in order to assess the needs and opportunities for job creation, incentives, and environmental and public health improvements.

Utilities have an important role in providing affordable and reliable heating and other energy services. As the state transitions to cleaner sources of energy, utilities are an important partner in

helping their customers make smart energy choices, and actively supporting the replacement of fossil fuel-based space and water heating equipment with high-efficiency electric equipment.

Programs for the electrification of homes and buildings have the potential to allow electric utilities to optimize the use of electric grid infrastructure, improve the management of electric loads, better manage the integration of variable renewable energy resources, reduce greenhouse gas emissions from the buildings sector, mitigate the environmental impacts of utility operations and power purchases, and improve health outcomes for occupants due to improved indoor air quality.

Clarity is important so that each utility, depending on its unique circumstances and consistent with enabling statutes, the state Constitution, and good public policy, may determine its appropriate role in advancing home and building electrification for its customers.

In order to meet the statewide greenhouse gas limits in the energy sectors of the economy, more resources must be directed toward achieving electrification and decarbonization of residential and commercial heating loads, while continuing to relieve energy burdens that exist in low-income households and overburdened communities.

Sec. 2. RCW 19.27A.015 and 1990 c 2 s 2 are each amended to read as follows:

Except as provided in RCW 19.27A.020((~~(7)~~)) (6), the Washington state energy code for residential buildings shall be the ((~~maximum and~~)) minimum energy code for residential buildings in each city, town, and county and shall be enforced by each city, town, and county ((~~no later than July 1, 1991~~)). The Washington state energy code for nonresidential buildings shall be the minimum energy code for nonresidential buildings enforced by each city, town, and county.

Sec. 3. RCW 19.27A.020 and 2018 c 207 s 7 are each amended to read as follows:

(1) The state building code council in the department of enterprise services shall adopt rules to be known as the Washington state energy code as part of the state building code.

(2) The council shall follow the legislature's standards set forth in this section to adopt rules to be known as the Washington

state energy code. The Washington state energy code shall be designed to:

(a) Construct increasingly energy efficient homes and buildings that help achieve the broader goal of building zero fossil-fuel greenhouse gas emission homes and buildings by the year 2031;

(b) Require new buildings to meet a certain level of energy efficiency, but allow flexibility in building design, construction, and heating equipment efficiencies within that framework; ((~~and~~))

(c) Allow space heating equipment efficiency to offset or substitute for building envelope thermal performance; and

(d) For each code cycle, provide one reach code option for increasingly low-emission energy efficient homes that local jurisdictions may adopt for residential construction, to be enforced by the local jurisdiction.

(3) The Washington state energy code shall take into account regional climatic conditions. One climate zone includes: Adams, Asotin, Benton, Chelan, Columbia, Douglas, Ferry, Franklin, Garfield, Grant, Kittitas, Klickitat, Lincoln, Okanogan, Pend Oreille, Skamania, Spokane, Stevens, Walla Walla, Whitman, and Yakima counties. The other climate zone includes all other counties not listed in this subsection (3). The assignment of a county to a climate zone may not be changed by adoption of a model code or rule. Nothing in this section prohibits the council from adopting the same rules or standards for each climate zone.

(4) The minimum Washington state energy code for residential buildings shall be the 2006 edition of the Washington state energy code, or as amended by rule by the council.

(5) The minimum state energy code for new nonresidential buildings shall be the Washington state energy code, 2006 edition, or as amended by the council by rule.

(6)(a) Except as provided in (b) of this subsection and except as provided in subsection (2)(d) of this section, the Washington state energy code for residential structures shall preempt the residential energy code of each city, town, and county in the state of Washington.

(b) The state energy code for residential structures does not preempt a city, town, or county's energy code for residential structures ((~~which exceeds~~)) that provides greater reductions in energy use and greenhouse gas emissions than the requirements of the state energy code ((~~and which was adopted by the city, town, or~~

~~county prior to March 1, 1990. Such cities, towns, or counties may not subsequently amend their energy code for residential structures to exceed the requirements adopted prior to March 1, 1990~~)) adopted by the council.

(7) The state building code council shall consult with the department of enterprise services as provided in RCW 34.05.310 prior to publication of proposed rules. The director of the department of enterprise services shall recommend to the state building code council any changes necessary to conform the proposed rules to the requirements of this section.

(8) ((~~The state building code council shall evaluate and consider adoption of the international energy conservation code in Washington state in place of the existing state energy code.~~

~~(9)~~)) The definitions in RCW 19.27A.140 apply throughout this section.

Sec. 4. RCW 19.27A.200 and 2019 c 285 s 2 are each amended to read as follows:

The definitions in this section apply throughout RCW 19.27A.210, 19.27A.220, 19.27A.230, ((~~and~~)) 19.27A.240, and section 5 of this act unless the context clearly requires otherwise.

(1) "Agricultural structure" means a structure designed and constructed to house farm implements, hay, grain, poultry, livestock, or other horticultural products, and that is not a place used by the public or a place of human habitation or employment where agricultural products are processed, treated, or packaged.

(2) "Baseline energy use intensity" means a building's weather normalized energy use intensity measured the previous year to making an application for an incentive under RCW 19.27A.220.

(3) "Building owner" means an individual or entity possessing title to a building.

(4) "Building tenant" means a person or entity occupying or holding possession of a building or premises pursuant to a rental agreement.

(5) "Conditional compliance" means a temporary compliance method used by building owners that demonstrate the owner has implemented energy use reduction strategies required by the standard, but has not demonstrated full compliance with the energy use intensity target.

(6) "Consumer-owned utility" has the same meaning as defined in RCW 19.27A.140.

(7) "Covered commercial building" means a ((~~building~~)):

(a) Building where the sum of nonresidential, hotel, motel, and dormitory floor areas exceeds fifty thousand gross square feet, excluding the parking garage area; or

(b) Tier 2 covered commercial building or tier 3 covered commercial building, as determined by the department pursuant to section 5 of this act.

(8) "Department" means the department of commerce.

(9) "Director" means the director of the department of commerce or the director's designee.

(10) "Electric utility" means a consumer-owned utility or an investor-owned utility.

(11) "Eligible building owner" means: (a) The owner of a covered commercial building required to comply with the standard established in RCW 19.27A.210; or (b) the owner of a multifamily residential building where the floor area exceeds fifty thousand gross square feet, excluding the parking garage area.

(12) "Energy" includes: Electricity, including electricity delivered through the electric grid and electricity generated at the building premises using solar or wind energy resources; natural gas, including renewable natural gas, synthetic gas, or fossil gas; district steam; district hot water; district chilled water; propane; fuel oil; wood; coal; or other fuels used to meet the energy loads of a building.

(13) "Energy use intensity" means a measurement that normalizes a building's site energy use relative to its size. A building's energy use intensity is calculated by dividing the total net energy consumed in one year by the gross floor area of the building, excluding the parking garage. "Energy use intensity" is reported as a value of thousand British thermal units per square foot per year.

(14) "Energy use intensity target" means the net energy use intensity of a covered commercial building that has been established for the purposes of complying with the standard established under RCW 19.27A.210.

(15) "Gas company" includes every corporation, company, association, joint stock association, partnership, and person, their lessees, trustees, or receiver appointed by any court whatsoever, and every city or town owning, controlling, operating, or managing any gas plant within this state.

(16) "Greenhouse gas" includes carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride.

(17)(a) "Gross floor area" means the total number of square feet measured between the exterior surfaces of the enclosing fixed walls of a building, including all supporting functions such as offices, lobbies, restrooms, equipment storage areas, mechanical rooms, break rooms, and elevator shafts.

(b) "Gross floor area" does not include outside bays or docks.

(18) "Investor-owned utility" means a company owned by investors, that meets one of the definitions of RCW 80.04.010, and that is engaged in distributing electricity to more than one retail electric customer in the state.

(19) "Multifamily residential building" means a building containing sleeping units or more than two dwelling units where occupants are primarily permanent in nature.

(20) "Net energy use" means the sum of metered and bulk fuel energy entering the building, minus the sum of metered energy leaving the building.

(21) "Qualifying utility" means a consumer-owned or investor-owned gas or electric utility that serves more than twenty-five thousand customers in the state of Washington.

(22) "Savings-to-investment ratio" means the ratio of the total present value savings to the total present value costs of a bundle of an energy or water conservation measure estimated over the projected useful life of each measure. The numerator of the ratio is the present value of net savings in energy or water and nonfuel or nonwater operation and maintenance costs attributable to the proposed energy or water conservation measure. The denominator of the ratio is the present value of the net increase in investment and replacement costs less salvage value attributable to the proposed energy or water conservation measure.

(23) "Standard" means the state energy performance standard for covered commercial buildings established under RCW 19.27A.210.

(24) "Thermal energy company" has the same meaning as defined in RCW 80.04.550.

(25) "Tier 2 covered commercial building" means a building where the sum of nonresidential, hotel, motel, and dormitory floor areas exceeds 25,000 gross square feet, excluding the parking garage area, but does not exceed 50,000 gross square feet.

(26) "Tier 3 covered commercial building" means a building where the sum of nonresidential, hotel, motel, and dormitory floor areas exceeds 10,000 gross square feet, excluding the parking garage area, but does not exceed 25,000 gross square feet.

(27) "Weather normalized" means a method for modifying the measured building energy use in a specific weather year to energy use under normal weather conditions.

NEW SECTION. **Sec. 5.** A new section is added to chapter 19.27A RCW to read as follows:

(1)(a) By July 1, 2022, the department must adopt by rule a state energy management and benchmarking requirement for tier 2 covered commercial buildings and tier 3 covered commercial buildings.

(b) In establishing the requirements under (a) of this subsection, the department must adopt requirements for building owner implementation based on sections 5, 6, and 7 of ANSI/ASHRAE/IES standard 100-2018 or more recent version, limited to energy management planning, operations and maintenance planning, and energy use analysis through benchmarking and associated reporting and administrative procedures. Administrative procedures must include exemptions for financial hardship.

(c) The department must provide a customer support program to building owners including, but not limited to, outreach and informational material including connecting to utility resources, periodic training, phone and email support, and other technical assistance.

(d) The department is authorized to impose an administrative penalty upon a building owner for failing to submit documentation demonstrating compliance with the requirements of this section. Administrative penalties collected under this section must be deposited into the low-income weatherization and structural rehabilitation assistance account created in RCW 70A.35.030.

(2) By July 1, 2023, the department must provide the owners of tier 2 covered commercial buildings with notification of requirements.

(3) By July 1, 2024, the department must provide the owners of tier 3 covered commercial buildings with notification of requirements.

(4) The owner of a tier 2 or tier 3 covered commercial building must report the building owner's compliance with the requirements to

the department in accordance with the schedule established under subsection (5) of this section and every five years thereafter. For each reporting date, the building owner must submit documentation to demonstrate that they have developed and implemented the procedures of sections 5, 6, and 7 of ANSI/ASHRAE/IES standard 100-2018 or more recent version as modified by the department by rule, limited to energy management planning, operations and maintenance planning, and energy use analysis through benchmarking using United States environmental protection agency's energy star portfolio manager.

(5) By July 1, 2025, tier 2 covered commercial building owners shall submit reports to the department as required by the rules adopted in subsection (1) of this section. By July 1, 2026, tier 3 covered commercial building owners shall submit reports to the department as required by the rules adopted in subsection (1) of this section.

(6) By July 1, 2027, the department shall evaluate benchmarking data to determine energy use averages by building type. The department shall submit a report to the legislature and the governor's office by October 1, 2027, with recommendations for building performance standards for tier 2 and tier 3 covered commercial buildings. The report must include information on the cost to building owners, by building occupancy type. The department is authorized to adopt rules for inclusion of tier 2 and tier 3 covered commercial buildings in the state energy performance standard created in RCW 19.27A.210 starting in 2029.

Sec. 6. RCW 80.28.074 and 1988 c 166 s 1 are each amended to read as follows:

The legislature declares it is the policy of the state to:

(1) ((~~Preserve affordable natural gas and electric services to the residents of the state;~~

~~(2)~~)) Maintain and advance the efficiency and availability of ((~~natural gas and electric~~)) energy services to the residents of the state of Washington;

((~~(3)~~)) (2) Ensure that customers pay only reasonable charges for ((~~natural gas and electric~~)) energy services;

((~~(4)~~)) (3) Permit flexible pricing of ((~~natural gas and electric~~)) energy services; and

(4) Limit and reduce the use of fossil fuels for space and water heating and advance the use of high-efficiency electric equipment.

NEW SECTION. **Sec. 7.** A new section is added to chapter 80.28 RCW to read as follows:

(1) Each gas company must operate and plan in a manner that is consistent with the public interest, including:

(a) Providing energy services to customers that are reliable and reasonably priced;

(b) Preserving and advancing the equitable distribution of energy benefits and reduction of burdens to vulnerable populations and highly impacted communities; long-term and short-term public health, economic, and environmental benefits and the reduction of costs and risks; and energy security and resiliency; and

(c) Contributing to meeting the state's environmental and climate obligations, including the statewide greenhouse gas emissions limits established in RCW 70A.45.020.

(2) The commission must consider and incorporate the requirements of subsection (1) of this section in its regulation and oversight of the rates, charges, rules, regulations, and practices of each gas company.

NEW SECTION. **Sec. 8.** A new section is added to chapter 80.28 RCW to read as follows:

Beginning July 1, 2021, each gas company tariff for line extensions for residential and commercial gas service must recover the full cost of the extension from the customer requesting service.

Sec. 9. RCW 80.28.005 and 1994 c 268 s 1 are each amended to read as follows:

((~~Unless the context clearly requires otherwise, the~~)) The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Bondable conservation investment" means all expenditures made by electrical, gas, or water companies with respect to energy or water conservation measures and services intended to improve the efficiency of electricity, gas, or water end use, including related carrying costs if:

(a) The conservation measures and services do not produce assets that would be bondable utility property under the general utility mortgage of the electrical, gas, or water company;

(b) The commission has determined that the expenditures were incurred in conformance with the terms and conditions of a

conservation service tariff in effect with the commission at the time the costs were incurred, and at the time of such determination the commission finds that the company has proven that the costs were prudent, that the terms and conditions of the financing are reasonable, and that financing under this chapter is more favorable to the customer than other reasonably available alternatives;

(c) The commission has approved inclusion of the expenditures in rate base and has not ordered that they be currently expensed; and

(d) The commission has not required that the measures demonstrate that energy savings have persisted at a certain level for a certain period before approving the cost of these investments as bondable conservation investment.

(2) "Conservation bonds" means bonds, notes, certificates of beneficial interests in trusts, or other evidences of indebtedness or ownership that:

(a) The commission determines at or before the time of issuance are issued to finance or refinance bondable conservation investment by an electrical, gas or water company; and

(b) Rely partly or wholly for repayment on conservation investment assets and revenues arising with respect thereto.

(3) "Conservation investment assets" means the statutory right of an electrical, gas, or water company:

(a) To have included in rate base all of its bondable conservation investment and related carrying costs; and

(b) To receive through rates revenues sufficient to recover the bondable conservation investment and the costs of equity and debt capital associated with it, including, without limitation, the payment of principal, premium, if any, and interest on conservation bonds.

(4) "Finance subsidiary" means any corporation, company, association, joint stock association, or trust that is beneficially owned, directly or indirectly, by an electrical, gas, or water company, or in the case of a trust issuing conservation bonds consisting of beneficial interests, for which an electrical, gas, or water company or a subsidiary thereof is the grantor, or an unaffiliated entity formed for the purpose of financing or refinancing approved conservation investment, and that acquires conservation investment assets directly or indirectly from such company in a transaction approved by the commission.

(5)(a) "Green hydrogen" means hydrogen produced using: (i) Electricity that meets the carbon neutrality standard of RCW 19.405.040 by 2030 and carbon-free standard of RCW 19.405.050 by 2045 for the energy input into the production process; and (ii) renewable resources for the source of the hydrogen.

(b) "Green hydrogen" includes renewable hydrogen.

(6) "Highly impacted community" has the same meaning as defined in RCW 19.405.020.

(7) "Lowest reasonable cost" means the lowest cost mix of resources determined through a detailed and consistent analysis of a wide range of commercially available sources. At a minimum, this analysis must consider resource costs, market-volatility risks, demand-side resource uncertainties, the risks imposed on ratepayers, resource effect on system operations, public policies regarding resource preference adopted by Washington state or the federal government, the cost of risks associated with environmental effects, including the social cost of greenhouse gas emissions as determined by the commission pursuant to RCW 80.28.395, and the need for security of energy supply.

(8) "Low-income" means a household income as defined by the commission, provided that the definition may not exceed the higher of 80 percent of area median household income or 200 percent of the federal poverty level, adjusted for household size, as defined in RCW 19.405.020(25).

(9) "Transition implementation plan" means a comprehensive plan developed by a gas company and submitted to the commission that evaluates strategies to achieve a reduction in greenhouse gas emissions from the combustion of natural gas, identifies specific actions to meet an emissions reduction target at the lowest reasonable cost for customers, evaluates cost and life-cycle emissions associated with alternative pipeline fuels and electric alternatives, and is consistent with the requirements specified in RCW 19.27A.020.

(10) "Vulnerable population" has the same meaning as defined in RCW 19.405.020.

Sec. 10. RCW 80.28.110 and 2011 c 214 s 20 are each amended to read as follows:

Every ((~~gas company,~~)) electrical company, wastewater company, or water company, engaged in the sale and distribution of ((~~gas,~~))

electricity or water or the provision of wastewater company services, shall, upon reasonable notice, furnish to all persons and corporations who may apply therefor and be reasonably entitled thereto, suitable facilities for furnishing and furnish all available ((~~gas,~~)) electricity, wastewater company services, and water as demanded, except that a water company may not furnish water contrary to the provisions of water system plans approved under chapter 43.20 or ((~~70.116~~)) 70A.100 RCW and wastewater companies may not provide services contrary to the approved general sewer plan.

Sec. 11. RCW 80.28.190 and 2003 c 53 s 383 are each amended to read as follows:

(1) No gas company shall, after January 1, 1956, operate in this state any gas plant for hire without first having obtained from the commission under the provisions of this chapter a certificate declaring that public convenience and necessity requires or will require such operation and setting forth the area or areas within which service is to be rendered; but a certificate shall be granted where it appears to the satisfaction of the commission that such gas company was actually operating in good faith, within the confines of the area for which such certificate shall be sought, on June 8, 1955. Any right, privilege, certificate held, owned or obtained by a gas company may be sold, assigned, leased, transferred or inherited as other property, only upon authorization by the commission. The commission shall have power, after hearing, when the applicant requests a certificate to render service in an area already served by a certificate holder under this chapter only when the existing gas company or companies serving such area will not provide the same to the satisfaction of the commission and in all other cases, with or without hearing, to issue the certificate as prayed for; or for good cause shown to refuse to issue same, or to issue it for the partial exercise only of the privilege sought, and may attach to the exercise of the rights granted by the certificate such terms and conditions as, in its judgment, the public convenience and necessity may require.

(2) A gas company may not offer new service to any customer located outside of the area authorized in its approved certificate of public convenience and necessity as of July 1, 2021.

(3) The commission may, at any time, by its order duly entered after a hearing had upon notice to the holder of any certificate

hereunder, and an opportunity to such holder to be heard, at which it shall be proven that such holder willfully violates or refuses to observe any of its proper orders, rules or regulations, suspend, revoke, alter or amend any certificate issued under the provisions of this section, but the holder of such certificate shall have all the rights of rehearing, review and appeal as to such order of the commission as is provided herein.

((~~(3)~~)) (4) In all respects in which the commission has power and authority under this chapter applications and complaints may be made and filed with it, process issued, hearings held, opinions, orders and decisions made and filed, petitions for rehearing filed and acted upon, and petitions for writs of review to the superior court filed therewith, appeals or mandate filed with the supreme court or the court of appeals of this state considered and disposed of by such courts in the manner, under the conditions, and subject to the limitations and with the effect specified in the Washington utilities and transportation commission laws of this state.

((~~(4)~~)) (5) Every officer, agent, or employee of any corporation, and every other person who violates or fails to comply with, or who procures, aids or abets in the violation of any of the provisions of this section or who fails to obey, observe or comply with any order, decision, rule or regulation, directive, demand or requirements, or any provision of this section, is guilty of a gross misdemeanor.

((~~(5)~~)) (6) Neither this section, RCW 80.28.200, ((~~80.28.210,~~)) nor any provisions thereof shall apply or be construed to apply to commerce with foreign nations or commerce among the several states of this union except insofar as the same may be permitted under the provisions of the Constitution of the United States and acts of congress.

((~~(6)~~)) (7) The commission shall collect the following miscellaneous fees from gas companies: Application for a certificate of public convenience and necessity or to amend a certificate, twenty-five dollars; application to sell, lease, mortgage or transfer a certificate of public convenience and necessity or any interest therein, ten dollars.

NEW SECTION. **Sec. 12.** A new section is added to chapter 80.28 RCW to read as follows:

(1) By October 1, 2022, each gas company must develop and submit to the commission a transition implementation plan to achieve a

reduction in greenhouse gas emissions, consistent with its proportional obligation under RCW 70A.45.020, resulting from combustion of natural gas sold or delivered by the company. Gas companies may develop and file plans individually or collectively. Starting in 2025, each gas company must provide updates to the information requested under this section as part of its integrated resource plans filed with the commission.

(2) A transition implementation plan must evaluate and compare multiple strategies to identify the lowest reasonable cost combination of strategies to achieve a reduction in greenhouse gas emissions, consistent with the gas company's proportional obligation under RCW 70A.45.020, resulting from the combustion of natural gas sold or delivered by the company. To meet its required greenhouse gas emissions reduction target under subsection (3) of this section, each gas company must include in its transition implementation plan an evaluation of the following emissions reduction strategies:

(a) Measures to increase the efficiency of energy use in residential, industrial, and commercial buildings through building thermal load reduction strategies such as envelope efficiency improvements, hot water conservation, or process load reductions;

(b) Conversion of existing customers to high-efficiency electric equipment through demographically targeted programs to support an equitable transition;

(c) Geographically targeted programs to permanently decommission portions of a gas company's distribution systems;

(d) Reduction of the carbon content of delivered gas by incorporating renewable natural gas, green hydrogen, or other low-carbon fuels; and

(e) Expansion of voluntary renewable natural gas programs.

(3) A transition implementation plan developed under this section must:

(a) Identify specific actions to achieve the gas company's share of the statewide obligation in RCW 70A.45.020 and must include an estimate of the costs and benefits resulting from the transition, including the costs and benefits that will accrue to vulnerable populations and highly impacted communities. The cost-benefit analysis must incorporate the avoided social cost of greenhouse gas emissions resulting from the use of natural gas as determined by the commission pursuant to RCW 80.28.395;

(b) Consider recommendations from the state energy strategy created under RCW 43.21F.090;

(c) Consider indoor air quality impacts, especially for low-income customers, vulnerable populations, and highly impacted communities; and

(d) Identify changes to depreciation schedules or rates designed to be consistent with specific actions in the transition implementation plan.

(4) A transition implementation plan may include projects authorized under RCW 80.28.420 that are anticipated to reduce greenhouse gas emissions from pipelines through the reduction of nonhazardous leaks.

(5) Each gas company must ensure an equitable transition of the gas system by:

(a) Ensuring that the transition positively impacts low-income households or highly impacted communities;

(b) Ensuring the equitable distribution of energy and nonenergy benefits;

(c) Reducing current and future energy burdens, such as by prioritizing rate management and assistance measures for low-income households;

(d) Considering the impacts on small businesses, especially those owned by and serving low-income households and vulnerable populations, and providing support to assist small businesses in the transition;

(e) Conferring with and taking into account the unique needs and requirements of tribal communities with respect to tribal sovereignty, traditional practices and customs, impacts on tribal lands, the inclusion of tribal workers and contractors on transition projects, and other impacts of the transition;

(f) Including provisions for equity and opportunity improvement with respect to workforce development, including: (i) Employer paid sick leave programs; (ii) pay practices in relation to living wage indicators such as the self-sufficiency standard and the Massachusetts Institute of Technology living wage calculator; (iii) efforts to evaluate pay equity based on gender identity, race, and other protected status under Washington law; and (iv) facilitating career development opportunities such as state registered apprenticeships, internships, on-the-job training, and other targeted measures to increase access to those opportunities for Black,

indigenous, and other communities of color and enhance the diversity of the clean energy workforce and contractors or supplier businesses;

(g) Providing for the just transition of affected workers through layoff avoidance strategies; and

(h) Developing a contractor inclusion plan in coordination with an outside coalition of groups that works to support the inclusion and development of minority-owned businesses in clean energy and construction projects.

(6) Transition implementation plans must be informed by the state environmental justice council created in chapter . . . (Senate Bill No. 5141), Laws of 2021, equity advisory boards, or another entity that provides direct outreach to and input from highly impacted communities and vulnerable populations. The commission must review all transition implementation plans for consideration of these equity dimensions.

(7) Prior to submitting a transition implementation plan to the commission, a gas company must request the input of any electric utility serving customers in the gas company's service area on the development of the plan.

(8) This section does not apply to any gas company owned and operated by a city or town, pursuant to RCW 80.04.500.

NEW SECTION. **Sec. 13.** A new section is added to chapter 80.28 RCW to read as follows:

(1) By October 1, 2022, the commission must open an investigation to evaluate pathways for gas companies to achieve their proportional share of greenhouse gas emissions reductions required under RCW 70A.45.020. The investigation should consider implications, findings, and program adjustments in the gas company transition implementation plans submitted to the commission under section 12 of this act.

(2) The investigation required under this section should include, but not be limited to:

(a) Financial impacts on gas companies;

(b) Considerations related to the continued safe operation of the gas system;

(c) Strategies to minimize costs and maximize benefits to customers, especially vulnerable populations and highly impacted communities;

(d) Health impacts of the transition of the gas system;

(e) Impacts of the transition of the gas system on the infrastructure, supply needs, and reliability of electric utilities;

(f) Impacts to industrial and transport customers;

(g) Regulatory changes to facilitate the transition; and

(h) An economic assessment of strategies that allow gas companies to repurpose gas system infrastructure.

(3) The commission may require gas companies to undertake additional analysis as part of this investigation.

(4) The commission must report the results of the investigation under this section to the appropriate committees of the legislature by January 1, 2024.

(5) Nothing in this section prevents the commission from considering updates to regulatory policies and practices to facilitate a reduction in greenhouse gas emissions from gas companies before the completion of the investigation required under this section.

NEW SECTION. **Sec. 14.** A new section is added to chapter 80.28 RCW to read as follows:

(1) Each natural gas company has the responsibility, consistent with the requirements of section 7 of this act, to meet system demand with the least cost mix of energy supply, including: Natural gas; renewable fuels; electrification; and conservation. In furtherance of that responsibility, each gas company must develop an integrated resource plan.

(2) At a minimum, an integrated resource plan developed under this section must include:

(a) A range of forecasts of future natural gas demand in firm and interruptible markets for each customer class that examine the effect of economic forces on the consumption of natural gas and that address changes in the number, type, and efficiency of natural gas end uses;

(b) An assessment of commercially available conservation, including load management, as well as an assessment of currently employed and new policies and programs needed to obtain the conservation improvements;

(c) An assessment of gas supplies, including fossil natural gas and all commercially available forms of renewable natural gas;

(d) An assessment of the impact of the electrification of the building sector;

(e) An assessment of opportunities for using company-owned or contracted storage;

(f) An assessment of pipeline transmission capability and reliability;

(g) A comparative evaluation of the cost of natural gas purchasing strategies, electrification, storage options, delivery resources, and improvements in conservation using a consistent method to calculate cost-effectiveness;

(h) The integration of the demand forecasts and resource evaluations into a long-range integrated resource plan, for at least the next 10 years, describing the mix of resources that is designated to meet current and future needs at the lowest reasonable cost to the utility and its ratepayers;

(i) A short-term plan outlining the specific actions to be taken by the utility in implementing the long-range integrated resource plan during each of the three years following submission;

(j) A report on the utility's progress towards implementing the recommendations contained in its previously filed plan; and

(k) An assessment of current conditions, including:

(i) The economic, public health, and environmental conditions within the utility's service territory. These conditions are not restricted to the effects of utility actions, and the analysis must include relevant information from publicly available sources, including the cumulative impact analysis developed by the department of health under RCW 19.405.140; and

(ii) The energy and nonenergy benefits and burdens associated with the utility's infrastructure and programs, including benefits and burdens caused by utility actions outside the utility's service territory.

(3) The commission must establish, by rule or order, the schedule for each gas company regulated by the commission to file an integrated resource plan at least every four years. The gas company must provide a work plan for informal commission review no later than 12 months prior to the due date of the integrated resource plan.

(a) The work plan must outline the content of the integrated resource plan to be developed by the gas company and the method for assessing potential resources.

(b) The work plan must outline the timing and extent of public participation in the integrated resource plan process, including participation opportunities for vulnerable populations and highly

impacted communities, as well as the gas company's plans to mitigate barriers to participation.

(4) The commission must hear comment on an integrated resource plan developed under this section at a public hearing.

(5)(a) To maximize transparency, the commission may require a gas company regulated by the commission under RCW 80.28.020 to make data input files available in a native format and in an easily accessible format. The final integrated resource plan must be published either as part of an annual report or as a separate document available to the public. The report may be in an electronic form.

(b) Nothing in this subsection limits the protection of records containing commercial information under RCW 80.04.095.

(6) The commission must consider the information reported in the integrated resource plan when the commission evaluates the performance of the gas company in rate and other proceedings.

(7) This section does not apply to any gas company owned or operated by a city or town, pursuant to RCW 80.04.500.

Sec. 15. RCW 43.21F.055 and 1996 c 186 s 104 are each amended to read as follows:

((~~The department shall not intervene in any regulatory proceeding before the Washington utilities and transportation commission or proceedings of utilities not regulated by the commission.~~)) Nothing in this chapter abrogates or diminishes the functions, powers, or duties of the energy facility site evaluation council pursuant to chapter 80.50 RCW, the utilities and transportation commission pursuant to Title 80 RCW, or other state or local agencies established by law.

((~~The department shall avoid duplication of activity with other state agencies and officers and other persons.~~))

NEW SECTION. **Sec. 16.** A new section is added to chapter 35.92 RCW to read as follows:

(1) The governing authority of an electric utility formed under this chapter may adopt a beneficial electrification plan that establishes a finding that utility outreach and investment in the electrification of homes and buildings will provide net benefits to the utility. Prior to adopting a beneficial electrification plan, the governing authority must request the input of any natural gas company

serving customers in the electric utility's service area on the development of the plan.

(2) A beneficial electrification plan adopted under subsection (1) of this section must identify options and program schedules for the electrification of various energy end-uses or other energy sources.

(3) In adopting a beneficial electrification plan under subsection (1) of this section, the governing authority of an electric utility formed under this chapter must determine that the sum of the benefits of an electrification option equals or exceeds the sum of its costs. As part of this determination, the governing authority may differentiate the level of benefits and costs accrued to low-income, highly impacted communities, and vulnerable populations in the electric utility's service area, as those terms are defined in RCW 19.405.020.

(a) The benefits of beneficial electrification considered by a governing authority may include, but are not limited to, system impacts, as well as the following:

(i) Utility revenue from increased retail load from beneficial electrification;

(ii) Distribution system efficiencies resulting from demand response or other load management opportunities, including direct control and dynamic pricing, associated with the increased retail load;

(iii) System reliability improvements;

(iv) The opportunity for indoor and outdoor air quality benefits to existing utility customers and customers from projects constructed after the effective date of this section;

(v) The opportunity for greenhouse gas emissions reductions from existing utility customers and customers from projects constructed after the effective date of this section, consistent with the emission reduction targets recommended by the department of ecology under RCW 70A.45.020; and

(vi) Other benefits identified by the governing authority.

(b) The costs of beneficial electrification considered by a governing authority must include, but are not limited to:

(i) The electricity, which must be demonstrated to have, during the life cycle of the electric appliance, a lower greenhouse gas emissions profile than direct-use natural gas, or any other resources

used to serve or offset the increased retail load from beneficial electrification;

(ii) Any upgrades to the utility's distribution system or load management practices and equipment made necessary by the increased retail load; and

(iii) The cost of the incentive, advertising, or other inducements used to encourage customers to electrify an energy end-use currently served by a different fuel source.

(4) An electric utility formed under this chapter may, upon making a determination in accordance with subsection (1) of this section, offer incentives and other programs to accelerate the beneficial electrification of homes and buildings for its customers, including the promotion of electrically powered equipment, advertising beneficial electrification programs and projects, educational programs, and customer incentives or rebates. An electric utility offering such incentives and other programs must prioritize service to highly impacted communities in the electric utility's service area, as that term is defined in RCW 19.405.020.

(5) For the purposes of this section, "beneficial electrification" means electrification of an energy end-use in a way that provides a net benefit to the utility consistent with subsection (3) of this section.

(6) Nothing in this section limits the existing authority of an electric utility formed under this chapter to offer incentives and other programs to accelerate the electrification of homes and buildings for its customers if such electrification is in the direct economic interest of the electric utility.

NEW SECTION. **Sec. 17.** A new section is added to chapter 54.16 RCW to read as follows:

(1) The commission of a public utility district may adopt a beneficial electrification plan that establishes a finding that outreach and investment in the electrification of homes and buildings will provide net benefits to the utility. Prior to adopting a beneficial electrification plan, the commission of a public utility district must request the input of any natural gas company serving customers in the public utility district's service area on the development of the plan.

(2) A beneficial electrification plan adopted under subsection (1) of this section must identify options and program schedules for

the electrification of various energy end-uses or other energy sources.

(3) In adopting a beneficial electrification plan under subsection (1) of this section, the commission of a public utility district must determine that the sum of the benefits of an electrification option equals or exceeds the sum of its costs. As part of this determination, the commission may differentiate the level of benefits and costs accrued to highly impacted communities and vulnerable populations in the public utility district's service area, as those terms are defined in RCW 19.405.020.

(a) The benefits of beneficial electrification considered by a commission may include, but are not limited to, system impacts, as well as the following:

(i) Utility revenue from increased retail load from beneficial electrification;

(ii) Distribution system efficiencies resulting from demand response or other load management opportunities, including direct control and dynamic pricing, associated with the increased retail load;

(iii) System reliability improvements;

(iv) The opportunity for indoor and outdoor air quality benefits to existing utility customers and customers from projects constructed after the effective date of this section;

(v) The opportunity for greenhouse gas emissions reductions from existing utility customers and customers from projects constructed after the effective date of this section, consistent with the emission reduction targets recommended by the department of ecology under RCW 70A.45.020; and

(vi) Other benefits identified by the commission of the public utility district.

(b) The costs of beneficial electrification considered by a commission must include, but are not limited to:

(i) The electricity, which must be demonstrated to have, during the life cycle of the electric equipment, a lower greenhouse gas emissions profile than direct-use natural gas, or any other resources used to serve or offset the increased retail load from beneficial electrification;

(ii) Any upgrades to the utility's distribution system or load management practices and equipment made necessary by the increased retail load; and

(iii) The cost of the incentive, advertising, or other inducements used to encourage customers to electrify an energy end-use currently served by a different fuel source.

(4) A public utility district may, upon making a determination in accordance with subsection (1) of this section, offer incentives and other programs to accelerate the beneficial electrification of homes and buildings for its customers, including the promotion of electrically powered equipment, advertising beneficial electrification programs and projects, educational programs, and customer incentives or rebates. A public utility district offering such incentives and other programs must prioritize service to highly impacted communities in the public utility district's service area, as that term is defined in RCW 19.405.020.

(5) For the purposes of this section, "beneficial electrification" means electrification of an energy end-use in a way that provides a net benefit to the utility consistent with subsection (3) of this section.

(6) Nothing in this section limits the existing authority of the commission of a public utility district to offer incentives and other programs to accelerate the electrification of homes and buildings for its customers if, over the life of the electrification incentive or program, such electrification is in the direct economic interest of the public utility district.

Sec. 18. 2007 c 349 s 1 (uncodified) is amended to read as follows:

The legislature finds and declares that greenhouse gases offset contracts, credits, and other greenhouse gases mitigation efforts, including beneficial electrification, are a recognized utility purpose that confers a direct benefit on the utility's ratepayers. The legislature declares that ((~~section 2 of this act~~)) RCW 35.92.430 is intended to reverse the result of *Okeson v. City of Seattle* (January 18, 2007), by expressly granting municipal utilities the statutory authority to engage in mitigation activities to offset their utility's impact on the environment.

Sec. 19. RCW 35.92.430 and 2007 c 349 s 2 are each amended to read as follows:

(1) A city or town authorized to acquire and operate utilities for the purpose of furnishing the city or town and its inhabitants

and other persons with water, with electricity for lighting and other purposes, or with service from sewerage, stormwater, surface water, or solid waste handling facilities, may develop and make publicly available a plan to reduce its greenhouse ((~~gases~~)) gas emissions or achieve no-net emissions from all sources of greenhouse gases that the utility owns, leases, uses, contracts for, or otherwise controls.

(2) A city or town authorized to acquire and operate utilities for the purpose of furnishing the city or town and its inhabitants and other persons with water, with electricity for lighting and other purposes, or with service from sewerage, stormwater, surface water, or solid waste handling facilities, may, as part of its utility operation, mitigate the environmental impacts, such as greenhouse ((~~gases~~)) gas emissions, of its operation, including any power purchases. The mitigation may include, but is not limited to, those greenhouse gases mitigation mechanisms recognized by independent, qualified organizations with proven experience in emissions mitigation activities. Mitigation mechanisms may include the purchase, trade, and banking of greenhouse gases offsets or credits. If a state greenhouse gases registry is established, a utility that has purchased, traded, or banked greenhouse gases mitigation mechanisms under this section shall receive credit in the registry. Mitigation may also include implementation of programs including, but not limited to, beneficial electrification programs that result in quantifiable and verified reductions in greenhouse gas emissions from homes and buildings located in the utility's service territory. A utility may promote and advertise a greenhouse gas emissions reduction program to its ratepayers.

Sec. 20. 2007 c 349 s 3 (uncodified) is amended to read as follows:

The legislature finds and declares that greenhouse gases offset contracts, credits, and other greenhouse gases mitigation efforts, including beneficial electrification, are a recognized utility purpose that confers a direct benefit on the utility's ratepayers. The legislature declares that ((~~section 4 of this act~~)) RCW 54.16.390 is intended to reverse the result of *Okeson v. City of Seattle* (January 18, 2007), by expressly granting public utility districts the statutory authority to engage in mitigation activities to offset their utility's impact on the environment.

Sec. 21. RCW 54.16.390 and 2007 c 349 s 4 are each amended to read as follows:

(1) A public utility district may develop and make publicly available a plan for the district to reduce its greenhouse ((~~gases~~)) gas emissions or achieve no-net emissions from all sources of greenhouse gases that the district owns, leases, uses, contracts for, or otherwise controls.

(2) A public utility district may, as part of its utility operation, mitigate the environmental impacts, such as greenhouse ((~~gases~~)) gas emissions, of its operation and any power purchases. Mitigation may include, but is not limited to, those greenhouse gases mitigation mechanisms recognized by independent, qualified organizations with proven experience in emissions mitigation activities. Mitigation mechanisms may include the purchase, trade, and banking of greenhouse gases offsets or credits. If a state greenhouse gases registry is established, a public utility district that has purchased, traded, or banked greenhouse gases mitigation mechanisms under this section shall receive credit in the registry. Mitigation may also include implementation of programs including, but not limited to, beneficial electrification programs that result in quantifiable and verified reductions in greenhouse gas emissions from homes and buildings located in the public utility district's service territory. A public utility district may promote and advertise a greenhouse gas emissions reduction program to its ratepayers.

NEW SECTION. **Sec. 22.** A new section is added to chapter 43.330 RCW to read as follows:

(1) A heat pump and electrification program is established within the department. The purpose of the program is to support job creation and workforce development through the transition of residential and commercial buildings away from fossil fuels and greenhouse gas emissions by providing incentives, education, and outreach resources for the installation of high-efficiency electric heat pumps and other electric equipment.

(2) The department shall implement a statewide heat pump program consistent with the following:

(a) Provide coordination and technical assistance to utilities, housing providers, residential and commercial builders, and the public to promote the adoption of high-efficiency electric heat pump equipment for space and water heating;

(b) Develop and distribute educational materials about the benefits of heat pump technology;

(c) Develop strategies to ensure that the program prioritizes services to low-income households, vulnerable populations, and highly impacted communities, including dedicating a portion of the program funding for this purpose. For the purposes of this subsection (2)(c), "highly impacted communities" has the same meaning as defined in RCW 80.28.005;

(d) In coordination with the state apprenticeship and training council, support the further development of workforce training for the installation of high-efficiency electric heat pump equipment;

(e) Convene a community-based advisory committee led by community-based organizations to ensure that workforce training is accessible to diverse communities in order to reverse patterns of discrimination present in the clean energy workforce; and

(f) Develop and implement an incentive program for residential and commercial building owners that convert from a fossil fuel space or water heating system to a high-efficiency electric heat pump. In developing the incentive, the department must implement higher payments for those with low or moderate incomes, residents or owners of rental properties, and other populations who may be overburdened and vulnerable. Projects or activities funded from the incentive must meet high labor standards, including family sustaining wages, providing benefits including health care and pensions, career development opportunities, and maximize access to economic benefits from such projects for local workers and diverse businesses by providing support and development opportunities for diverse workers and businesses. Each contracting entity's proposal must be reviewed for equity and opportunity improvement efforts, including: (i) Employer paid sick leave programs; (ii) pay practices in relation to living wage indicators such as the self-sufficiency standard and the Massachusetts Institute of Technology living wage calculator; (iii) efforts to evaluate pay equity based on gender identity, race, and other protected status under Washington law; (iv) facilitating career development opportunities such as state registered apprenticeships, internships, and on-the-job training; and (v) employment assistance and employment barriers for justice affected individuals. The department may align the incentive program with a goal of reducing greenhouse gas emissions from the refrigerants used in incentivized products and equipment.

(3) The department is authorized to contract with a nonprofit trade association, regional market transformation organization, or community organization to implement the program in partnership with community-based workforce and contractor development organizations to assist with developments and must consider contractor inclusion plans in coordination with the office of women and minority-owned businesses.

NEW SECTION. **Sec. 23.** This act may be known and cited as the healthy homes and clean buildings act.

NEW SECTION. **Sec. 24.** If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

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Preliminary Working DRAFT

COBI Green Building Alternatives Matrix

	Baseline (Existing Code)	**Alternative 1** (Low Fee)	**Alternative 2** (Incentivize 3rd Party GB Certifications)	**Alternative 3** (Net Zero Energy)
Energy Offsets				
Offset Goal	0%	~20%	~50%	~100%
Applicable Projects	N/A 2018 Energy Code does not require offsets (went into effect February 2021)	Any project that will create or increase the amount of conditioned space	Same as Alternative 1	Same as Alternative 1
Type of offset requirement?		A low impact fee is charged as: • A flat rate by project type, or • A rate scaled to the size of the project	Same as in Alternative 1, but the impact fee is higher.	Modelled energy use is offset by: • Applicant implemented offsets • Purchase of local energy offset credits • In-lieu fee
How is the offset implemented?		Offset funds are directed by City (through possible community partner) to: • Energy efficiency & solar upgrades to existing residential building stock - lower income households prioritized • Community solar projects	• Same as Alternative 1 • Incentivize green building certification by partially refunding impact fee at a rate scaled to the level of green building certification (e.g. the refund for a LEED Platinum project is more than a LEED Silver project)	• Same as Alternative 1 (for in-lieu funds) • On-site projects by applicant • Off-site projects by applicant • Purchase of local energy offset credits • Use of selected zero energy/carbon certification
Other Green Building Actions				
Education & Outreach	Yes	Yes	Yes	Yes
Other Incentives	• Promote available PSE incentives	• Same as baseline • Free/expedited permits for specific equipment (e.g. heat pumps, solar panels)	• Same as Alternative 1 • Expedited permits for projects with selected green building certifications • Others TBD	• Same as Alternative 1 • Expedited permits for projects with selected zero energy/carbon certifications • City navigator • Others TBD

Commented [PB1]: Consider applicability be tied to the state energy code.

Commented [PB2]: Many impact fee programs provide the applicant the option to either pay or build something to address the impact. There may be legal concerns if the applicant does not have this option.

In this case, I would recommend the applicant could address the impact by:
- Achieving a GB certification from a City-approved list; or
- Building an offset project on-site (or perhaps off-site on BI) achieving the offset goal.

Evaluation Criteria (analysis to be completed following Council guidance on alternatives and criteria)				
Administrative Burden	• Staff training • Contract with promotor	• Same as Baseline • Fee Study (maybe) • Offset program management • Contract(s) with community EE partner(s)	• Same as Alternative 1, but fee study is likely	• Same as Alternative 1, but fee study is required • City-run energy offset credit program • City navigator (FTE) • Contracts with 3rd party energy modelers
Net GHG emissions				
Power grid				
Indoor environment				
Water consumption				
Estimated construction cost for a median house				
Estimated operational cost for a median house				
Estimated construction cost for commercial SF				
Estimated operational cost for commercial SF				

“Road Map” for a Bainbridge Island Green Building Program

Principles

- Lead by example
- Optimize materials/emissions
- Equity/Justice
- Wholistic approach/mutual benefits (people, environment, & economy)
- Future ready (e.g. solar, EV, internet-based system controls/smart grid, battery storage, etc)

	Phase 1 (Interim by ~~Oct~~)	Phase 2 (~~Oct – Feb~~)	Phase 3 (+1 year)
Theme	Carbon Reduction	Carbon Neutral	Carbon Storage
Components	Rely on prior public engagement, Planning Commission meetings, and 1 public hearing Mandatory ~~green building programs~~ energy offset program for all building types (within limits set by state law) ~~Scaled to building size~~ ~~Additional equipment specific carbon reduction measures~~	Expanded engagement (community & industry) Economic assessment, incentives, assistance programs (affordability & health equity) Additional specificity: • Electric vehicle & solar ready • Embedded carbon reduction (concrete & other materials) • Carbon offsets Site requirements Indoor Air Quality Program evaluation process	Adaptive Management (next steps based on program performance)

- Energy Offset
  - Economic assessment
  - Flat offset fee? (waived for 3rd party certification or PV)
  - Scalable to size
  - Less than $5k?
  - Use fees for energy efficiency upgrades, community solar, PSE green power
- Incentivize green building
  - What incentivizes the industry?
    - Expedited permitting, reduced fees, education, marketing, etc
    - PSE incentive promotion and partnering (like RePower)
  - What motivates the community?
- City supports industry by educating the public (customers for green buildings)
- GBTF Recommendation to cover full program (may evolve over time)

Energy Offset

	Baseline (Existing Code)	Mandatory (Fixed/Scaled Fee) (Set Low)	Mandatory (Scaled Fee) (Tied to value of Certification)	Mandatory (100% Modelled Energy Use)
Description	2018 Energy Code (goes into effect February 2021)	Funds EE upgrades	Funds EE upgrades; Refund increases with higher levels of 3rd party certifications	City run program
Administration		Fee Study (maybe); Offset program management;	Fee Study (likely)	Fee Study (required); City-run energy offset credit program
Cost to • Customer • City				
Benefits • Community • Environment (GHG, Water, etc) • Occupants			Provide 3rd party certification comparison (attributes, strengths)	

Next Steps

- Next GBTF meeting (target 1/7)
- Next CC Update (target ~~1/19~~) – 2/2

- Find comparison matrix for 3rd party certifications
- Cost Sub-group (Marty, Russ)
  - Comparative cost analysis (likely find existing)
  - Bainbridge-specific cost impact/relevance
- Jurisdictional workshop (e.g. Shoreline, Sammamish, etc)
- Public outreach (includes Planning Commission)

“First Step” Recommendations - Certification

Exempt:

- Remodels and additions up to 500sf (any building type)
- Affordable housing projects funded through the State Housing Trust Fund (RCW 39.35D.080)

<table>
<tr><th></th><th>Remodels/
Additions
(> 500sf)
(affected sf only)</th><th>Commercial &
Institutional
(up to 5,000sf);
All Residential</th><th>Commercial & Institutional
(> 5,000sf)</th></tr>
<tr><td>Baseline Requirement</td><td colspan="3">Zero Carbon Certification (International Living Future Institute)
• 100% of the <u>operational</u> energy use associated with the project must be offset by new on- or off-site renewable energy
• 100% of the <u>embodied</u> carbon emissions impacts associated with the construction and materials of the project must be disclosed and offset
Equipment
• Heat pumps used whenever possible for space and water heating
• Do not allow electric resistance elements for space heating</td></tr>
<tr><td>Additional Requirement</td><td>As required by building type and net building size (e.g. police/court)</td><td>None</td><td>Core Green Building Certification (International Living Future Institute)
- OR -
LEED Platinum Certification (US Green Building Council)</td></tr>
<tr><td>Opt.</td><td colspan="3">Any other green building certification</td></tr>
</table>

“First Step” Recommendations - Incentives

	SFR/MF (1-4 units)	Multi-Family (5+ units)	Commercial
NEW **City (permit fees)**	Refund a portion of building permit fee ($ TBD) at final green building certification; Education & Outreach		
PSE (existing building)	Free Energy Assessment; Various Rebates*		Free Energy Assessment Various Rebates; Various Grants (up to 70% of cost)
PSE (new construction)	High Performance Rebate $1,500 - $2,000	Design Assistance; Various Grants*	Various Grants (up to 100% of cost above current energy code)

* Value may be higher for income qualified households/units

CITY OF
BAINBRIDGE ISLAND

CITY COUNCIL STUDY SESSION
TUESDAY, FEBRUARY 2, 2021

Council Actions

1) CALL TO ORDER / ROLL CALL - 6:00 PM

2) EXECUTIVE SESSION

2.A Pursuant to RCW 42.30.110(1)(i), to discuss with legal counsel matters relating to litigation or potential litigation to which the city, the governing body, or a member acting in an official capacity is, or is likely to become, a party, when public knowledge regarding the discussion is likely to result in an adverse legal or financial consequence to the agency

Cover Page

ACTION: Executive Session held.

3) APPROVAL OF AGENDA/ CONFLICT OF INTEREST DISCLOSURE

ACTION: Approved; no conflicts of interest were disclosed.

4) FUTURE COUNCIL AGENDAS

4.A Future Council Agendas

Cover Page
February 9 City Council Regular Business Meeting.pdf
February 16 City Council Study Session.pdf
February 23 City Council Regular Business Meeting.pdf
2021 List of Proposed Future Council Topics for 02022021.docx

ACTION: February 10, 2021 City Manager finalist open house will be noticed as a special City Council meeting with an executive session to follow the open house; Council revised upcoming agendas.

5) PRESENTATIONS

5.A WSDOT Presentation on the SR 305 Adas Will/Agatewood Roundabout Project - Public Works

Cover Page
SR 305 COBI Pres 20201207 v3.pdf

ACTION: Information only.

5.B Proclamation Declaring February 2021 as "Black History Month" - Mayor Nassar

Cover Page
Black History Month Proclamation 2021

ACTION: Presentation only.

6) UNFINISHED BUSINESS

6.A Interim Green Building Program - Planning

Cover Page
Staff Memo Update
Attachment 1 - Activity Log
Attachment 2 - GBTF Roster
Attachment 3 - City Green Building Policies
Attachment 4 - GHG Inventory Fact Sheet.pdf
Attachment 5 - GHG Target Charts
Attachment 6 - Energy Demand & Conservation
Attachment 7 - GBTF Road Map Recommendation
Attachment 8 - First Steps Recommendation

ACTION: Directed Green Building Task Force and Climate Change Advisory Committee to provide feedback on suggested approach for legislative change in conjunction with other jurisdictions and using a professional lobbyist.

6.B Recommendations and Update from the Climate Change Advisory Committee

Cover Page
CIty Council February 2nd City Council Meeting CCAC Briefing.pptx
Draft CCAC Recommendations to City Council on Carbon Reduction for BI Police and Court Building December 22nd 2020.docx
CCAC 2020 Progress Report and 2021 Workplan January 27th 2021.docx
Status of immediate actions January 27th 2021.docx

ACTION: 2021 workplan was forwarded to the February 9, 2021 Consent Agenda.

7) CITY COUNCIL DISCUSSION

7.A Revise Governance Manual - Mayor Nassar

Cover Page
Proposal from Mayor Nassar.docx
Duties of the Chair .docx

ACTION: Forwarded revised version of proposed changes to New Business on February 9, 2021.

8) FOR THE GOOD OF THE ORDER

9) ADJOURNMENT – 10:01 PM

CITY OF BAINBRIDGE ISLAND

City Council Study Session Agenda Bill

MEETING DATE: February 2, 2021 **ESTIMATED TIME:** 10 Minutes

AGENDA ITEM: (7:25 PM) Interim Green Building Program - Planning,

SUMMARY: * Staff review of the previous GBTF recommendations determined that a mandatory "off-the-shelf" program utilizing existing green building certification programs is not feasible under existing state law.
* The Council requested information regarding the existing barriers in state law experienced by the City and indicated the Council may decide to use that information to suggest changes to state law.
* The GBTF is developing a proposed process and initial alternatives for a green building program that is compatible with existing legal constraints. These will be presented to Council for policy direction at a future study session.

AGENDA CATEGORY: Discussion **PROPOSED BY:** Planning & Community Development

RECOMMENDED MOTION: Decide if/how Council wishes to address barriers in state law to enacting local mandatory green building codes.

STRATEGIC PRIORITY: Green, Well-Planned Community

FISCAL IMPACT:

Amount:	
Ongoing Cost:	
One-Time Cost:	
Included in Current Budget?	Yes

BACKGROUND: See attached staff memo.

ATTACHMENTS:

Staff Memo Update

Attachment 1 - Activity Log

Attachment 2 - GBTF Roster

Attachment 3 - City Green Building Policies

Attachment 4 - GHG Inventory Fact Sheet.pdf

Attachment 5 - GHG Target Charts

Attachment 6 - Energy Demand & Conservation

Attachment 7 - GBTF Road Map Recommendation

Attachment 8 - First Steps Recommendation

FISCAL DETAILS:

Fund Name(s):

Coding:

CITY OF BAINBRIDGE ISLAND

Department of Planning and Community Development

Memorandum

Date: February 2, 2021

To: City Manager
City Council

From: Heather Wright, Planning Director
Peter Best, Senior Planner

Subject: Barriers to Local Green Building Codes in State Law

I. Background

On June 16th, the City Council directed the Green Building Task Force (GBTF, Attachment 2) to recommend an interim "off the shelf" green building program (or components of a program) to be implemented before the current development moratorium expires[1] to help with the City's greenhouse gas (GHG) emission reduction goals while a full Bainbridge Island program is developed. The Council also stated this direction was made within the context of their recent declaration of a climate emergency (Resolution 2020-05) and reaffirmed their previous direction for the green building initiative to aggressively contribute to GHG emission reductions.

On September 1, 2020, the City Council directed staff to proceed with drafting an ordinance based on the GBTF recommendations and ongoing staff review and legal analysis.

On September 15, 2020, the City Council agreed to a brief delay in the project timeline in order for staff review and legal analysis to be completed. The Council also reiterated the importance of continuing to develop an ambitious local interim green building program and discussed the possibility of seeking legislative changes to state laws that limit local green building programs.

On November 17, 2020, the City Council was informed the GBTF recommendations conflicted with existing state law and that the GBTF would begin working to revise its recommendations. The City Council requested information regarding the existing barriers in state law experienced by the City and indicated the Council may decide to use that information to suggest changes to state law.

Since November, the GBTF has met twice to develop a proposed process and initial alternatives for a green building program that is compatible with existing legal constraints. The GBTF will continue that work at their next meeting on February 9, 2021. When finalized, this framework will be presented to Council for policy direction at a future study session.

[1] The adopted motion specified October 20, 2020 as the implementation deadline for an interim green building program. However, at the time the motion was adopted, the development moratorium (Ordinance 2020-09) was set to expire on October 3, 2020. The moratorium has since been narrowed and extended to April 3, 2021 (Ord. 2020-24).

An Important City Priority

Adopting a green building code is (see Attachment 3):

- A City 2020 work plan priority
- A Comprehensive Plan policy
- A Climate Action Plan goal and priority strategy

A green building code will benefit the Bainbridge Island community by:

- Reducing greenhouse gas emissions (see Attachments 4 and 5)
    - The City's goal is to reduce community emissions 90% by 2045 (from 2014 levels)
    - 55% of 2018 community emissions were from building energy use
- Conserving energy (see Attachment 6)
    - Demand is increasing due to transportation electrification (ferries, cars, etc) and growth
    - Capacity is limited and we wish to avoid (or at least delay) building a new substation
- Conserving water
    - Bainbridge Island is a sole source aquifer

II. GBTF Recommendations

The GBTF recommendations were provided in two deliverables.

Road Map (Attachment 7) – The Road Map outlined a 3-phase process for developing and implementing a comprehensive green building program for Bainbridge Island. The Road Map was guided by five overarching principles and each phase was guided by a general theme.

First Steps (Attachment 8) – These First Steps provided the initial interim program requested by the City Council. These recommendations represented Phase 1 of the Road Map and contained the core elements of the comprehensive green building program.

III. Existing Barriers in State Law

City staff (with legal, planning, and building expertise) reviewed the GBTF recommendations and found their implementation would certainly or likely be blocked by the following state laws.

The City Council expressed an interest in lobbying the State Legislature to allow a jurisdiction to mandate an energy code that is more restrictive than the state energy code. The State legislature is currently meeting and the Council could choose to pursue this option this or next year.

A. State Energy Code Cannot be Exceeded

Barrier	The state energy code (per RCW 19.27A.015) is established as both the minimum and maximum standard for residential development for the majority of local building codes, including the City of Bainbridge Island. However, it is only established as the minimum standard for non-residential development.
Effect	The vast majority of development on Bainbridge Island is residential. The City cannot mandate standards that exceed the state energy code for residential development, such as "off the shelf" 3rd party green building certification programs (like those recommended by the GBTF) because they conflict with the state energy code by requiring: • More energy efficiency buildings; or • Different equipment. Incentivizing the voluntary use of 3rd party green building certifications is not preempted by the state energy code and is therefore the typical approach currently used to achieve some amount of residential green building development in some local jurisdictions. However, green building incentives for residential development are not expected to achieve the City's ambitious greenhouse gas reduction and green building policies.
Possible Fix	Strike the language in RCW 19.27A.015 establishing the state energy code as the maximum standard for residential development.

Note: The state energy code is periodically updated to incrementally "help achieve the broader goal of zero fossil-fuel greenhouse gas emission homes and buildings by the year 2031." [RCW 19.27A.020(2)(a)]

B. Delegation of Authority

Barrier	There can be legal uncertainty regarding substantive due process when local governments mandate an applicant to achieve certification from a 3rd party.
Effect	The City assumes some measure of legal risk without clear state authorization and a standard of practice regarding substantive due process.
Possible Fix	Add language to state law authorizing: • Local governments to adopt 3rd party green building certification programs into local building codes, provided they meet the state's minimum standards; and • Local building officials to waive a 3rd party certification requirement if the 3rd party certification program (1) restricts or limits an applicant's access to administrative review and relief under the program, or (2) has acted arbitrary, capricious, or inconsistent with the program's standards or procedure.

IV. ATTACHMENTS

1. Green Building Initiative History Log
2. GBTF Roster
3. City Green Building Policies
4. Greenhouse Gas Emission Inventory Fact Sheet
5. Greenhouse Gas Emissions Charts
6. Bainbridge Island Energy Demand & Conservation
7. GBTF Road Map Recommendation
8. GBTF First Steps Recommendation

Green Building Initiative
History Log

Date	Description
7/17/2018	CC study session on a green building incentive program
11/5/2019	CC study session on an approach to a green building code
12/3/2019	CC study session on the 2019 City of Bainbridge Island Greenhouse Gas Emissions Inventory Final Findings Report which documented that 55% of the communities overall emissions came from building energy use.
12/10/2019	CC study session on workplan for green building code options
1/7/2020	CC provided direction on GBTF recruitment and for aggressive GHG reduction
1/16/2020	CC adopted its top priorities for 2020 as well as the 2020 Citywide Work Plan which affirmed green building remains a top priority
2/4/2020	CC update on GBTF applications and selection process
3/3/2020	CC update on GBTF applications and appointment process
3/10/2020	CC advanced a slate of GBTF candidates for appointment on 3/24/2020
3/24/2020	CC appointed GBTF members
5/19/2020	CC retained the green building initiative as a City workplan priority
5/26/2020	CC adopted the goals and strategies for the Climate Action Plan presented by the City's Climate Change Advisory Committee, which includes overarching GHG reduction goals as well as goals and strategies related to green building
6/9/2020	CC declared a climate emergency (Resolution 2020-05)
6/16/2020	CC provided direction to the GBTF to recommend an interim "off the shelf" green building program (or components of a program) to be implemented before the current development moratorium expires (i.e.: Ordinance 2020-09 expires on 10/4/2020) to help with the City's greenhouse gas (GHG) emission reduction goals while a full Bainbridge Island program is developed.
7/7/2020	GBTF meeting #1
7/7/2020	CC update on GBTF schedule and startup
7/21/2020	GBTF meeting #2
8/4/2020	GBTF meeting #3
8/18/2020	GBTF meeting #4 – complete recommendations for multi-phase "Road Map" and "First Steps" ordinance
8/27/2020	GBTF meeting #5 – complete recommendations for multi-phase "Road Map" and "First Steps" ordinance
9/1/2020	CC study session #1 on GBTF recommendations
9/15/2020	CC study session #2 on GBTF recommendations • Briefly extended project timeline to complete staff review and legal analysis
12/1/2020	GBTF meeting #6
12/17/2020	GBTF meeting #7

Acronyms
CC = City Council
GBTF = Green Building Task Force
GHG = Greenhouse gas emissions

GREEN BUILDING TASK FORCE ROSTER

CITY OF BAINBRIDGE ISLAND

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6/26/2020

City Priorities and Policies Applicable to Green Building

2020 Citywide Workplan Priorities

- Support Council consideration of Green Building Initiatives (Q1 – Q4)
    - to include consideration of proposed solar ordinances

Comp Plan Goals & Policies

- Policy LU 5.5 - Implement a green building code.
- LU Action #3 - Amend the City's development code to implement green building codes. Utilize lessons learned from communities of comparable environmental and socio-economic characteristics to implement green building codes which address issues such as site sustainability, water use efficiency, energy use efficiency, indoor environmental quality, and the impact on the atmosphere, materials and resources by buildings.

Applicable to All Types of Buildings

- Policy EC 3.1: Encourage use of green building materials and techniques in all types of construction, as well as design approaches that are responsive to changing conditions.
- Policy EC 10.2: Partner with island architects, landscape architects, builders and related construction professionals to draft development standards and practices that incorporate green building practices and context sensitive design.
- Policy EN 2.3: Use new technologies to reduce environmental impacts such as solar panels, electric and hybrid vehicles, high-efficiency lights and heating systems.
- Goal EN-4: Encourage sustainable development that maintains diversity of healthy, functioning ecosystems that are essential for maintaining our quality of life and economic viability into the future.
- Policy EN 4.1: Employ conservation design methods and principles such as low impact development techniques for managing storm and waste water, green building materials, high-efficiency heating and lighting systems.
- Policy U 14.2: Encourage the conservation of electrical energy, especially during periods of peak usage, and encourage energy saving building code strategies, local renewable energy, and other cost effective approaches to meeting the island's energy needs, including distributed energy systems.

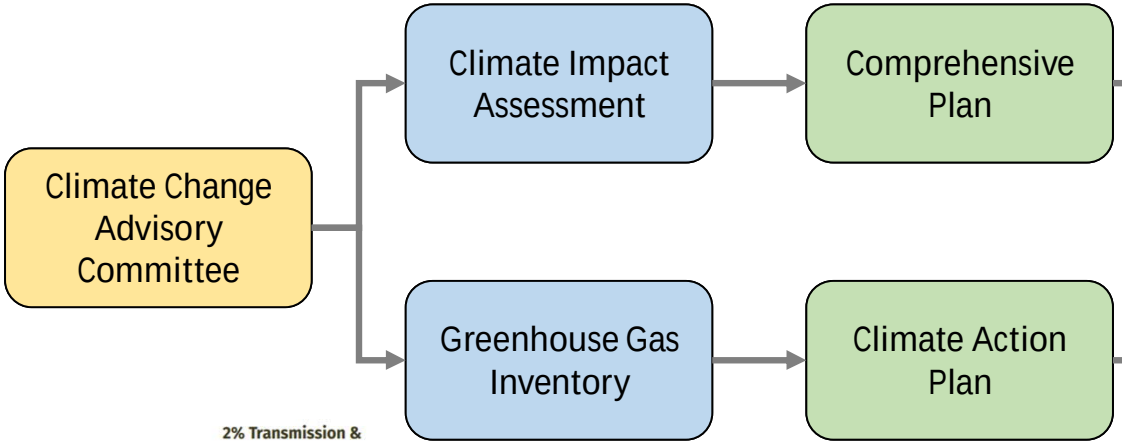
Applicable to City and Public Facilities Only

- GOAL EN-2: Encourage sustainability in City Government operations.
- Policy EN 2.1: In managing City government operations, take reasonable steps to reduce impacts to the environment and ecosystems upon which we depend. This includes recognizing and preparing for the impacts of climate change.
- Policy U 14.5: New taxpayer-funded buildings shall use carbon-neutral energy for heating, cooling, and operational use to the maximum extent practical.
- Policy EN 10.4: Ensure beneficial indoor air quality in all renovations and new construction of City-owned facilities.
- Policy EN 12.6: Promote energy conservation measures by all government entities including:
    - Retrofitting offices, shops and garages with high-efficiency lighting;
    - Converting vehicles to hybrid fuel vehicles as replacement or new vehicles are acquired;

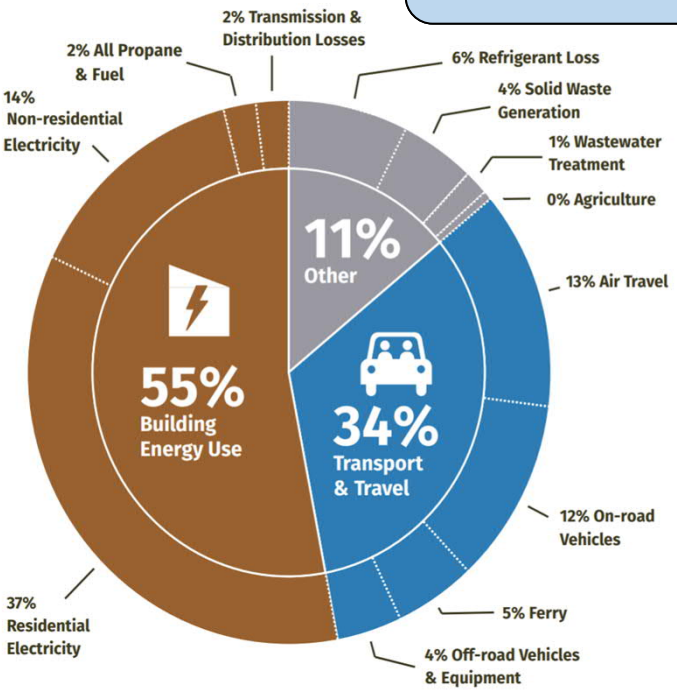
    - Converting traffic signals and lighting to the most energy efficient and spectrum appropriate technology available; and
    - Adopting incentive programs and design standards that encourage the employment of renewable energy sources and energy efficient appliances on the Island.
- Goal CF-4: Public facilities constructed on Bainbridge Island meet appropriate safety, construction, energy conservation, durability and sustainability standards.
- Policy CF 4.4: Require public facilities to incorporate energy generation when and where possible.

Process Improvements

- Policy EN 12.3: Strive for reduced greenhouse gas emissions by, among other actions, integrating climate change into the city planning process, including land use and transportation planning and management, and making climate change considerations and meeting greenhouse gas emission reduction goals a component of city decision making.
- Policy EN 12.4: Establish benchmarks, metrics and targets for reduction of greenhouse gas emissions, assess current conditions and progress in reducing greenhouse gas emissions from municipal, commercial, residential and transportation-related land uses, projects and programs.
- Policy EN 12.5: Support the development of a public education program which informs all citizens on the methods and progress for meeting the Island's greenhouse gas emission goals and ways citizens can assist in reaching the reduction goals.
- Policy HO 6.4: Create a new conservation villages permit process to apply outside of designated centers to increase housing choices including affordable housing and requiring green building practices while better conserving open space.



Policy LU 5.5 - Implement a green building code.



Goal 3A: Increase energy conservation and efficiency, including customer-owned generation, across all energy sectors.
Goal 3C: Create energy self-sufficiency for emergency preparedness and increase energy infrastructure reliability and resilience.
Goal 5A: Reduce GHG emissions from all municipal, commercial, industrial and residential buildings.
Goal 6B: Protect and maintain the integrity of our Island's surface and groundwater resources in the face of climate change.
Goal 7B: Increase diversion of waste from the landfill.
Goal 8C: Empower and prepare COBI, Bainbridge Island residents, and Bainbridge Island businesses for climate impacts and emergencies.

CITY OF BAINBRIDGE ISLAND

UNDERSTANDING OUR IMPACT

Bainbridge Island's Greenhouse Gas (GHG) Inventory Results

The City of Bainbridge Island (City) recently completed a comprehensive greenhouse gas (GHG) inventory. GHG inventories quantify the amount of climate pollution produced by an entity—in this case, from the Bainbridge Island community and municipal government operations. As the City continues to take action to reduce emissions, these inventories will serve as helpful tools for tracking progress and making improvements along the way.

What are our emissions?

We estimate that the Bainbridge Island community emitted 233,998 metric tons of carbon dioxide equivalent ($MTCO_2e$) in 2018—or 9.4 $MTCO_2e$ per resident. **Offsetting those emissions would require every Bainbridge resident to grow 11.1 acres of forestland for one year.** The biggest emissions contributors:

Energy use by residential and commercial buildings

55% of our emissions come from building energy use, residential fuels, and transmission and distribution losses.

Transportation, mainly on-road vehicles and air travel

34% of our emissions come from on-road and off-road vehicles, air travel, and ferry transportation.

GHG Inventory Quick Facts

Three inventory types

Communitywide
Emissions from community activities, like energy use, travel, and waste disposal.

City Government Operations
Emissions from everyday government activities.

Consumption-based
Emissions associated with our goods and services.

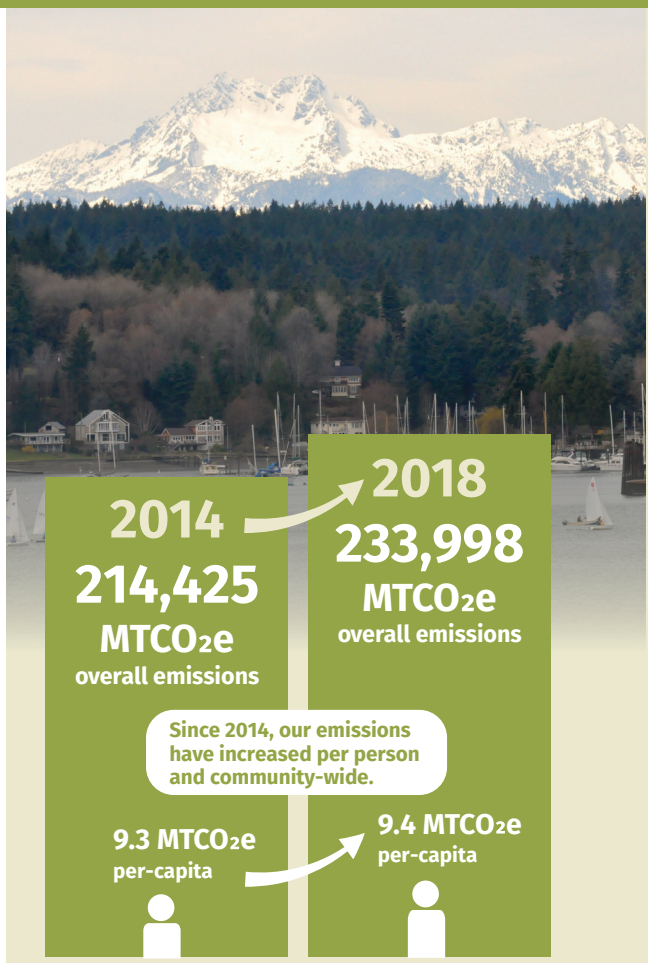
Three accepted protocols

The inventories were conducted using widely-accepted tools and protocols, including The Climate Registry's **Local Government Operations Protocol**, the **U.S. Community Protocol**, and U.C. Berkeley's **CoolClimate Calculator**.

Two representative years

Conducting inventories for both **2014** and **2018** allows us to see whether emissions are trending upward or downward over time.

See full inventory results on the back!



Trends Over Time...

The 2018 emissions results showed a 9% overall increase over 2014 emissions, but only a 1% increase in per-capita emissions.
To meet our goals, we will need to decrease our overall emissions as well as our per-capita emissions.

Emissions increases were driven by:

- Changes in **electricity fuel sources** (e.g., from renewables versus coal)
- Growth in **population** and employment

Emissions increases were limited by:

- Improvements in **vehicle fuel economy**
- Reductions in the **distance** each person drives
- Declining per-household and per-business **energy consumption**

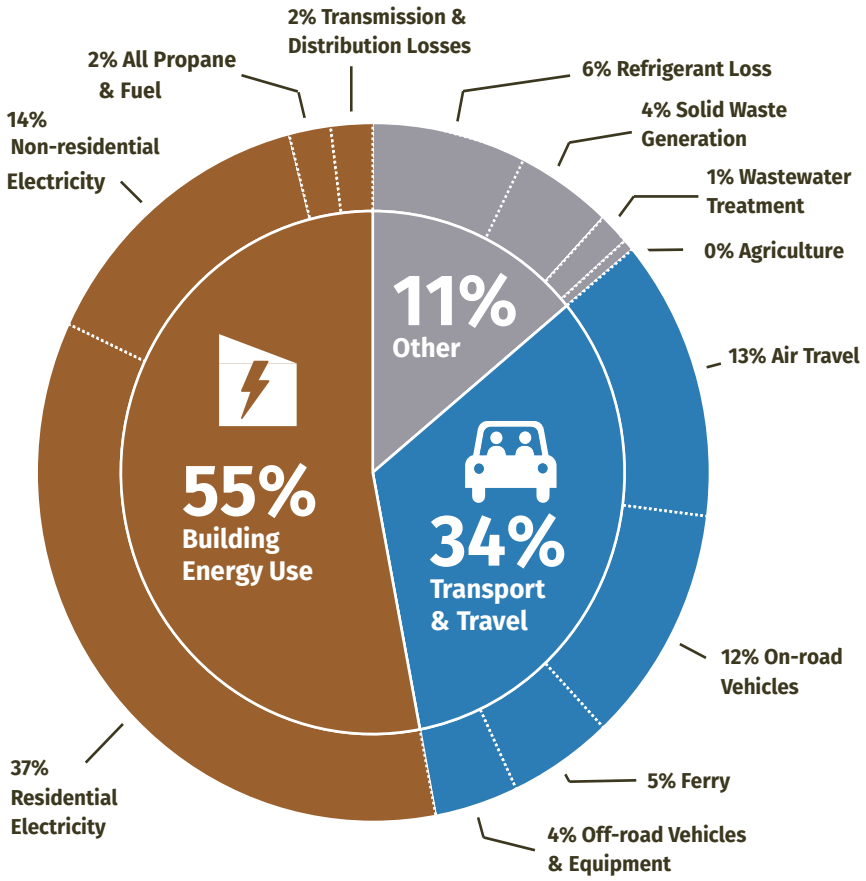
CITY OF BAINBRIDGE ISLAND

INVENTORY RESULTS

CITY OF BAINBRIDGE ISLAND

Community Overall Emissions

233,998 $MTCO_2e$



The Bainbridge Island community emitted an estimated 233,998 $MTCO_2e$ in 2018.

That equates to 9.4 $MTCO_2e$ per person—equivalent to the emissions from driving 50,000 passenger vehicles for a year!

The majority of those emissions are from consumption of energy in homes and commercial buildings.

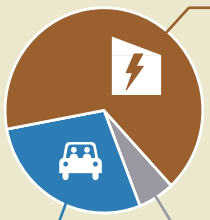
Be a part of the solution

Everyone has a role in reducing Bainbridge Island's greenhouse gas emissions. The things we buy, the way we commute to work, the food we eat, and the way we use energy in our home all have an impact.

City Government Emissions

2,291 $MTCO_2e$ in 2018

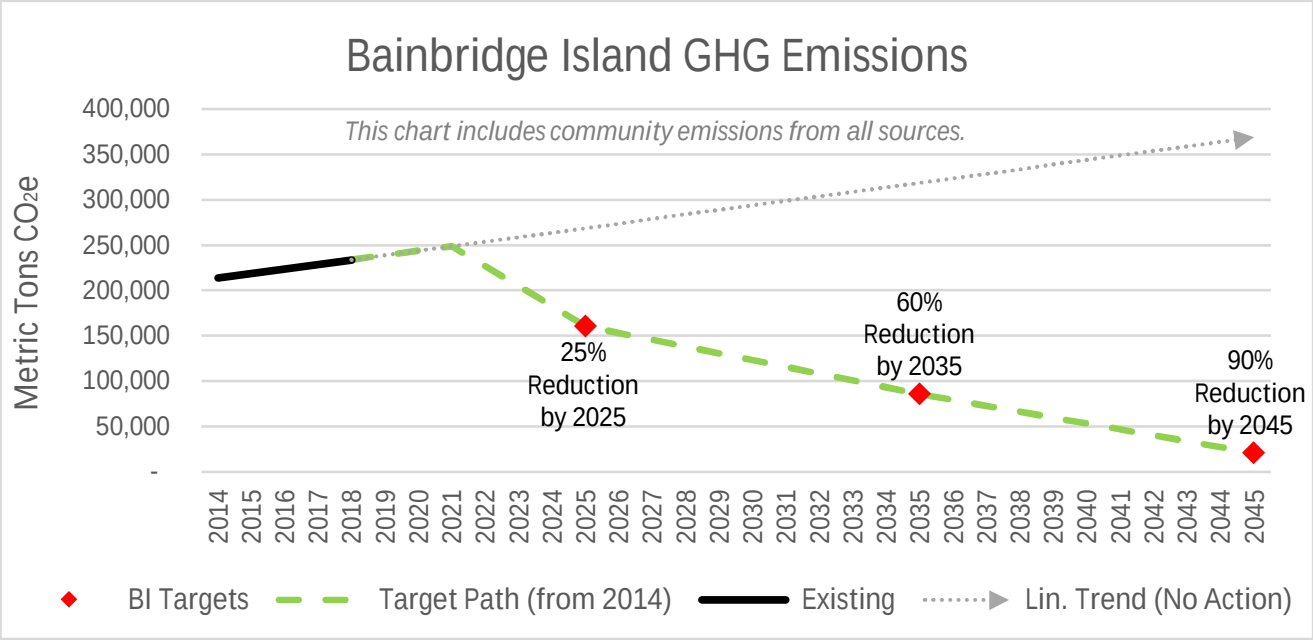
Emissions from City of Bainbridge Island activities—which only make up about 1% of the total community emissions—are largely from energy needed to power municipal buildings, equipment, and vehicles.

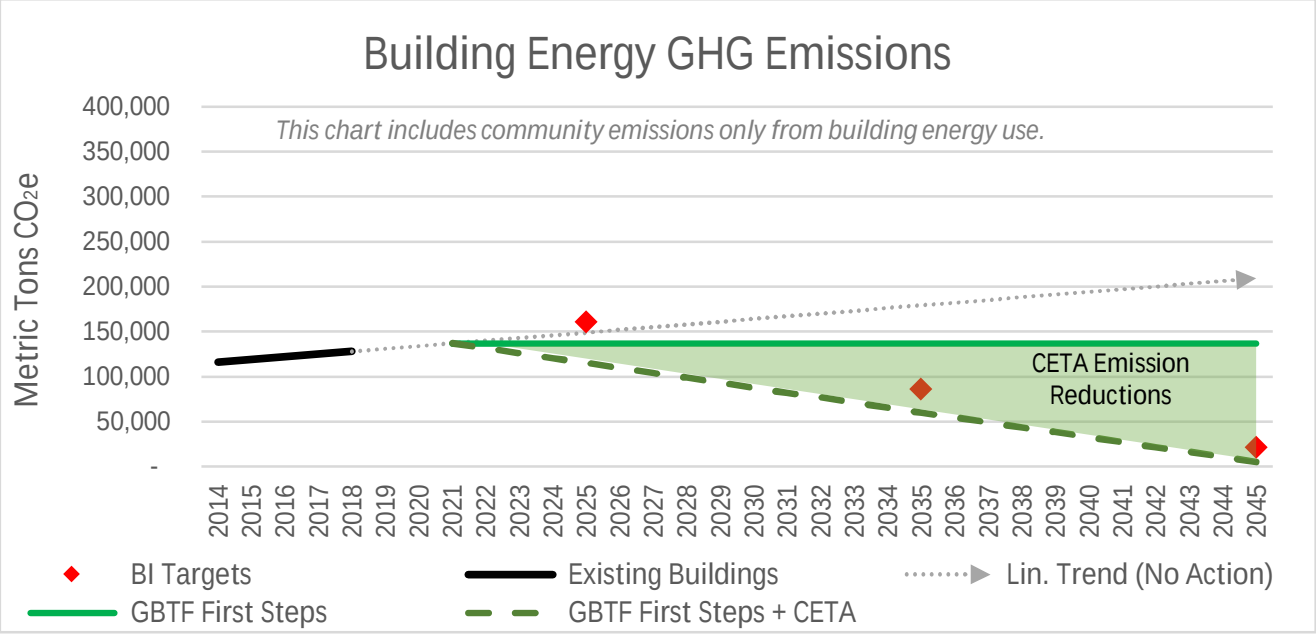


66%
Energy
60% Facility electricity
4% Street Lights & Traffic Signals
2% Building Propane

6%
Other Impacts
3% Solid Waste Generation
2% Wastewater Treatment Plant
1% Refrigerant Loss

28%
Transportation
17% On-road Fleet Vehicles
8% Employee Commute
3% Off-road Vehicles





CETA = Washington State Clean Energy Transformation Act

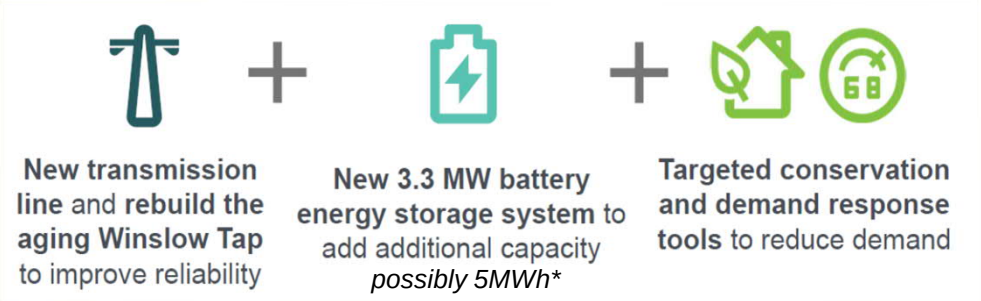
Note: GBTF "First Steps" recommendations would also require offsets for the carbon emissions embodied in new building materials, which is not currently accounted for in the GHG emissions inventory this chart is based on.

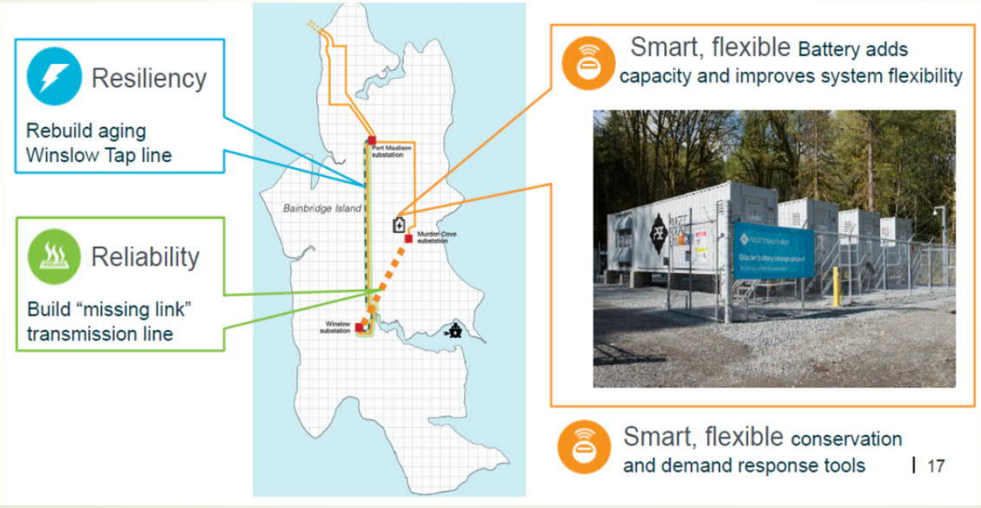
Sources:

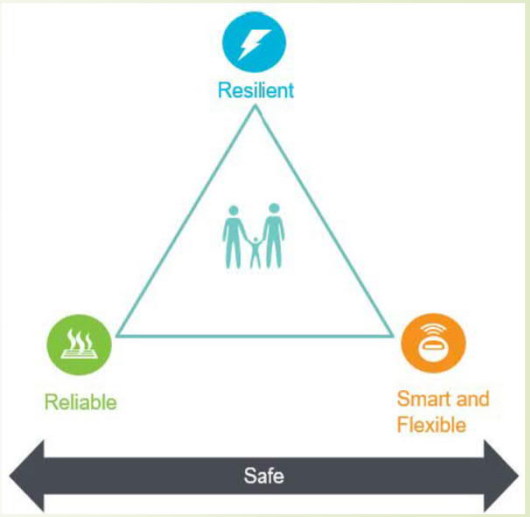
2019. City of Bainbridge Island Greenhouse Gas Emissions Inventory Final Findings Report. Prepared by Cascadia Consutling Group, INC.

In Prep. City of Bainbridge Island Climate Action Plan. Prepared by City of Bainbridge Island Climate Change Advisory Committee.

PSE's Proposed Bainbridge Island Initiative Has Three Key Elements



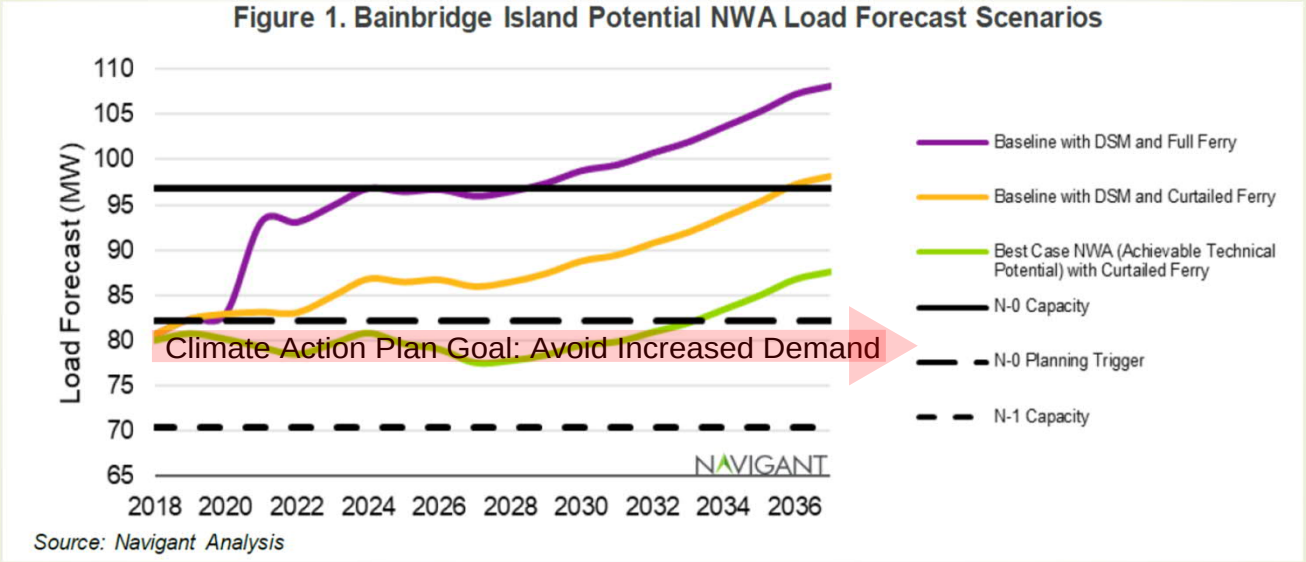




*Source: PSE's town hall on Oct 17, 2019, Appendix D

Source: PSE's town hall on Oct 17, 2019, final slide deck

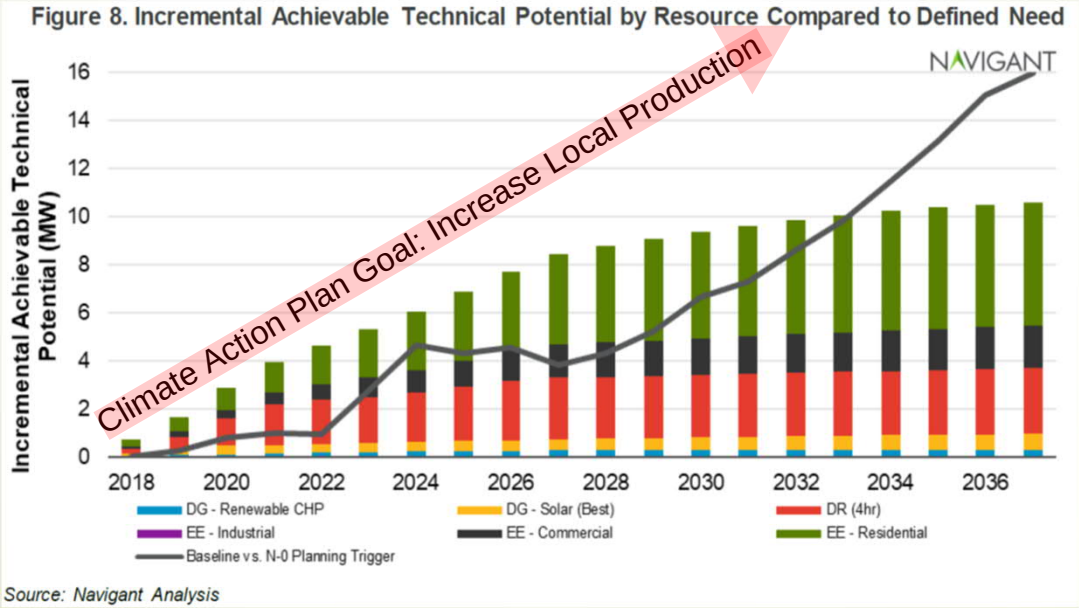
If Implemented Fully, PSE's Bainbridge Island Initiative Would Defer Grid Upgrades to 2030



Source: PSE's town hall on Oct 17, 2019, Appendix D

The Targeted Conservation and Demand Response Tools Require BI Resident's Action

- DERs considered in the analysis include energy efficiency (EE), demand response (DR), customer-sited solar photovoltaics (PV), energy storage, and combined heat and power (CHP) (renewable anaerobic digesters only).



- Note the cost-effective contribution from the anaerobic digester CHP

Source: PSE's town hall on Oct 17, 2019, Appendix D

"Road Map" for a Bainbridge Island Green Building Program

Principles

- Lead by example
- Optimize materials/emissions
- Equity/Justice
- Wholistic approach/mutual benefits (people, environment, & economy)
- Future ready (e.g. solar, EV, internet-based system controls/smart grid, battery storage, etc)

	Phase 1 (Interim by Oct)	Phase 2 (Oct - Feb)	Phase 3 (+1 year)
Theme	Carbon Reduction	Carbon Neutral	Carbon Storage
Components	Rely on prior public engagement and 1 public hearing Mandatory "baseline" green building programs for all building types Optional "stretch" green building programs Scaled to building size Mature programs & market acceptance Few additional carbon reduction measures	Expanded engagement (community & industry) Economic assessment, incentives, assistance programs (affordability & health equity) Electric vehicle & solar ready Embedded carbon reductions (concrete & other materials) Carbon offsets Site requirements Program evaluation process	Adaptive Management (next steps based on program performance)

Green Building Task Force - "First Steps" Interim Green Building Recommendation

The green building programs listed in Table 1 are adopted by the City of Bainbridge Island and organized into green building categories. The programs indicated with:

- "BR" are baseline required programs within that category (choose one if more than one is listed);
- "AR" are required programs within that category in addition to the BR program (choose one if more than one is listed); and
- "O" are optional programs that may be used in addition to a required program but shall not be used instead of a required program.

Table 1 Green Building Categories

Organization	Green Building Program	Green Building Category			Existing Buildings on BI
		A	B	C	
International Living Future Institute	Core Green Building Certification	O	O	AR	Yes
	Zero Carbon Certification	BR	BR	BR	
US Green Building Council	LEED Platinum Certification	O	O	AR	Yes
Other	Other	O	O		Yes

Table 2 Green Building Requirements

Building Type	Building Size	Green Building Category		
		A	B	C
Any Remodel and/or Addition	Up to 500 SF	N/A		
	More than 500 SF	Same category as below for building type and net building size (net = existing + addition)		
Any Residential	Any size	X		
Commercial and Institutional	Up to 5,000 SF		X	
	More than 5,000 SF			X

Table 2 notes:

- For remodels and additions over 500 SF, only the remodel/addition area needs to meet the applicable requirements. The remaining area of the existing building does not need to meet the applicable requirements.
- State funded buildings subject to RCW 39.35D (high-performance public buildings) would be subject to this requirement.
- Affordable housing projects would be subject to this requirement unless they receive funding through the State Housing Trust Fund and are therefore required to meet state mandated green building standards per RCW 39.35D.080.

Other GBTF Recommendations

City Buildings – Lead by example (retroactive to police/court facility)

Possible Incentives (until Phase 2)

- Refund part of building permit fees at final certification (amount TBD)
- Education & outreach
- Puget Sound Energy – many of the existing rebates, grants, and design assistance will apply to green building projects

Additional Carbon Footprint Reduction Measures (pending legal review)

- Heat pumps used whenever possible for space & water heating
- Propane may be used as secondary backup heat, or where heat pumps are not capable of providing for the task (such as for tankless water heaters or high demand boiler systems)
- Do not allow electric resistance elements for space heating

CITY OF BAINBRIDGE ISLAND

City Council Study Session Agenda Bill

MEETING DATE: February 2, 2021 **ESTIMATED TIME:** 30 Minutes

AGENDA ITEM: (7:35 PM) Recommendations and Update from the Climate Change Advisory Committee,

SUMMARY: The Climate Change Advisory Committee will give a brief presentation on recommendations on carbon reduction for the Police and Court Facility.

Also provided for review is a status update on actions in the Climate Action Plan, a progress report on 2020 workplan items, and a 2021 workplan for review and approval.

AGENDA CATEGORY: Discussion **PROPOSED BY:** City Council

RECOMMENDED MOTION: I move to forward the Climate Change Advisory Committee 2021 Workplan for approval with the Consent Agenda on February 9, 2021.

STRATEGIC PRIORITY: Green, Well-Planned Community

FISCAL IMPACT:	
Amount:	
Ongoing Cost:	
One-Time Cost:	
Included in Current Budget?	

BACKGROUND: A Climate Action Plan (CAP) was the highest priority item of the Climate Change Advisory Committee's work plan as set by the City Council for 2020. After several meetings in 2020, the Council approved the CAP as drafted by the CCAC.

The CAP includes recommended actions and strategies to move the City toward three goals:

1. Mitigation – Reduce greenhouse gas emissions by 90% by 2045 compared to 2014 levels with interim milestones of 25% reduction by 2025 and 60% by 2035 compared to 2014 levels.

2. Adaption – Bainbridge Island is climate savvy and can withstand the impacts of climate change.

3. Community Engagement – COBI inspires community action and partners with local and regional organizations to take meaningful and equitable climate change mitigation and adaptation actions.

Part of the presentation at this meeting provides an update on the recommended approach to the CAP. In particular, the CAP identifies 18 “immediate actions,” for which the CCAC is drafting roadmaps, or draft approaches to implementation.

In addition to the CAP status, the CCAC will give a brief presentation on recommendations on carbon reduction for the Police and Court Facility, a progress report on 2020 workplan items, and a 2021 workplan for review and approval with the February 9th Consent Agenda.

ATTACHMENTS:

CIty Council February 2nd City Council Meeting CCAC Briefing.pptx

Draft CCAC Recommendations to City Council on Carbon Reduction for BI Police and Court Building December 22nd 2020.docx

CCAC 2020 Progress Report and 2021 Workplan January 27th 2021.docx

Status of immediate actions January 27th 2021.docx

FISCAL DETAILS:

Fund Name(s):

Coding:

City Council Study Session
February 2nd, 2021
Climate Change Advisory Committee


CATASTROPHIC CLIMATE CHANGE WARNING FROM UN.....
MAYBE PEOPLE WILL NOTICE IF I TWEET A SELFIE...

Overview

- Draft CCAC recommendations on carbon reduction for BI Police/Court buildings
- Status of CCAC/UAC recommendations on PSE Franchise Agreement
- CCAC 2020 Progress Report and 2021 Workplan
- FYI: Status on “Road Maps” for 18 immediate actions

Police/Court Building: Recommendations

CC asked CCAC to develop recommendations to offset carbon (64 metric tons CO_2/yr) if LEED silver.

Recommendations

1. Acknowledge use of Harrison building better than constructing new building. Also likely better than existing building but data not available to confirm (Council could request it).

2. Use the GBTF Green Building Standard for comparison of carbon reduction instead of LEED silver.

3. To achieve carbon reduction invest in:
   - Energy efficiency & conservation for low-income housing
   - Community solar projects

4. DO NOT USE OFFSETS that are not direct reductions of on Island GHG emissions from fossil fuel combustion

Police/Court Building: Next Steps

- Work w/GBTF to determine green building standard to use for comparisons
- Hire consultant to calculate carbon reduction of potential projects (as well as compare to existing) and lifetime cost savings of energy efficient building, as well as identify local offset implementation options, including novel approaches.
- Develop report w/options for carbon reduction including possible pathways to implementation

PSE Franchise: Background

- CC requested CCAC/UAC provide recommendations on PSE Franchise Agreement
- BI Comprehensive Plan includes goals and nine policies on electrical utility element
- Research
  - National Renewable Energy Lab: Study Franchise Agreements (3600 cities w/25 in PSE service area)
  - World Resources Institute: Paper on City/Utility Partnership Agreements
  - Interviews w/individuals involved with Franchise Agreements in area.

ORDINANCE NO. 2007- 11 CITY OF BAINBRIDGE ISLAND AN ORDINANCE granting to Puget Sound Energy, a Washington public service company, and its successors and assigns, for a period of fifteen (15) years, the right, privilege, authority, consent and approval to set, erect.....

Comprehensive Goal: "...ensure adequate, cost effective, reliable, and environmentally responsible electric service to the citizens of Bainbridge Island" (e.g., Policy U 14.9 Explore ways to obtain 100% green electricity including investing in new renewable energy projects).

NREL Transforming ENERGY

WORLD RESOURCES INSTITUTE

PSE Franchise: Background

Work collaboratively with PSE to achieve goals of:

- Comprehensive Plan
- Climate Action Plan
- Clean Energy Transformation Act

First steps for negotiation

- Identify a shared vision for success
- Agree on set of principles
- Develop a mutual understanding of respective goals

PSE Franchise: Status

Still working on a few issues:

- Undergrounding
- Carbon Free Electricity Goals
- Additionality

2020 Progress Report for CCAC

- Developed first-ever Climate Action Plan (CAP) for City that was approved by City Council.
- Had over 10 meetings with City staff in the development of the CAP.
- Developed “roadmaps” for eight of the 18 immediate actions identified in the CAP.
- Collaborated with the Green Building Task Force (GBTF) and Sustainable Transportation Task Force (STTF) to ensure we were consistent in our approach to addressing climate change and had several meetings with the Chair of the Race Equity Advisory Committee (REAC).
- Worked with the Utilities Advisory Committee (UAC) to develop recommendations for the City regarding the PSE Franchise.
- Provide recommendations to the City Council for off-setting carbon reduction from Police/Court building.
- Provide presentations to several local groups on climate change and the CAP (e.g., Senior Center, Oatmeal Club, and Rotary).

2021 Workplan for CCAC

- Participate in Community meetings and general outreach on the CAP and climate change.
- Support COBI in the implementation of the CAP.
- Complete roadmaps for the 18 immediate actions identified in the CAP and propose additional actions.
- Collaborate with other advisory and task forces on the Island and provide input to other taxing districts (e.g., Parks and Schools).
- Respond to requests from City Council

Questions

Recommendations from the Climate Change Advisory Community on Carbon Reduction Opportunities In lieu of Achieving LEED Silver for the Bainbridge Island Police and Municipal Court Building (December 22nd, 2020)

On June 2, 2020, O'Brien360 provided a project update to the City Council on the cost estimate for achieving a LEED Silver Certification for the new Police and Municipal Court project at the old Harrison Medical Center Building.

O'Brien360 found that the total cost to achieve the LEED silver certification would be about $975,000 ($140,00 for LEED soft costs + $73,000 for additional design costs + $761,000 to achieve specific LEED credits).

O'Brien360 also estimated that the annual carbon emissions for the current building design would be 174 metric tons of CO2e per year. If the Council decided to adopt a LEED Silver Certification the total carbon would be 110 metric tons of CO2e per year. A reduction of 64 metric tons CO2e per year.

O'Brien360 also estimated that it the installation of a 120-kW solar installation on Bainbridge Island that would offset a total of 64 metric tons of carbon per year would be $360,000. In addition, they estimated that the City could purchase 64 metric tons CO2e offsets on the open market for about $3,600 per year.

The City Council decided to not pursue the LEED Silver Certification but they were still interested in how we could offset the 64 metric tons of CO2e per year if we had pursued LEED Silver Certification for the Harrison Building.

Based on this, the City Council asked the Climate Change Advisory Committee (CCAC) the following:

> *The Council has requested that the CCAC develop a recommendation about ways to seek a local offset of the amount of carbon that would have potentially been eliminated over time if the Council expended the resources to pursue LEED silver certification for that facility. The Council discussed a difference of approximately 64 metric tons CO2 per year between the facility as designed currently versus a facility that would achieve LEED silver certification.*

The CCAC first step was to reach out to the Green Building Task Force (GBTF) to see if we could collaborate on this request. We had several meetings and suggested to the City that the CCAC and the GBTF could hold a "charette" to evaluate what additional green building options might be available to incorporate into the Harrison building design. In the end, the City granted the building permit and the CCAC and GBTF did not pursue the "charette".

After the building permit was issued, the CCAC formed a subgroup to discuss the options for the Harrison Building and recommendations for moving forward. The subgroups recommendations are below.

Recommendations

The CCAC subgroup is providing the following recommendations to the full CCAC for their consideration.

1. Acknowledge the Use of the Harrison Building is Better than Constructing a New Building
   - It is important to acknowledge that the Harrison Building is an existing building.
   - Constructing a new building would have required large amounts of carbon.
   - Also, the upgrade to the existing Police and Municipal Court Buildings would have entailed a significant carbon cost.

2. Use the GBTF Green Building Standard as the Baseline of Comparison Instead of LEED Silver in Comparing Carbon Reductions if the GBTF Standard is more stringent than LEED silver
   - LEED Silver was the green building standard used when evaluating options for upgrading the Harrison Building. However, LEED Silver is insufficient to meet the targets established in the recently approved Climate Action Plan.
   - We would suggest a better comparison would be the Zero Carbon Certification Standard that the GBTF is considering.
   - We believe if this is the Green Building standard that the City is asking others to meet, then it should be used as the comparison standard with the Harrison Building instead of LEED Silver.

3. Invest in Energy Efficiency/Conservation for Low-Income Housing to Achieve Carbon Reduction
   - An important element of the recently approved Climate Action Plan was ensuring that all people had access to programs that could make their homes more efficient, conserve energy, reduce greenhouse gas emissions, and save them money. Particular attention should be paid to removing or replacing propane (and other fossil fuel powered) systems for heating (space and water) and cooling, as these emission sources will not be corrected with conversion of the electric power grid by state mandate to renewable, carbon-free power.
   - We recommend working with our local utilities (PSE, KPUD, etc.) to apply City funds to achieve carbon reduction via system conversion and/or improving the energy efficiency and energy conservation for low-income housing in our community. The Housing Resource Board would also be a good partner in this effort, but focus should not be limited to HRB properties.
   - Perhaps most importantly, an “offset” must be additive. This is one of the few options to “offset” the continued emissions associated with the Police Station/Courthouse that will

remove additional emissions from existing on-island sources that would not otherwise be removed.

4. Invest in Community Solar Projects to Achieve Carbon Reduction
   - As presented by O'Brien360, we would recommend investing in Community Solar projects to help achieve the desired carbon reduction.
   - The benefit of this project should not be limited to private investors or city properties. Consider how to use this generated energy to offset energy bills for low income residents or essential services (COBI water, COBI sewer, BIFD, BISD, BIPR) that benefit the community.

Next Steps

- Discuss at the next CCAC meeting in December.
- If approved by the CCAC, brief the City Council on the recommendations.
- Work with the GBTF to identify the green building standard baseline to use instead of LEED Silver when making comparisons with the current design.
- Hire a consultant to help with the following (we are recommending hiring a consultant as the members of the CCAC do not have the time nor the expertise to complete the analysis suggested below):
  - Establish the carbon reduction needed if the GBTF green building standard is used as the baseline for comparison as opposed to LEED Silver.
  - Estimate the carbon reduction and the cost associated with that reduction for upgrading a typical low-income housing unit to be more efficient (e.g., replace propane with heat pump, more insulation, better windows, etc.).
  - Evaluate the possible carbon reduction, costs and community benefits associated with Community Solar projects to achieve the carbon reduction needed using the GBTF green building standard as the baseline instead of LEED Silver.
- Develop a draft report and present to the City Council for their input.

Climate Change Advisory Committee: 2020 Progress Report and 2021 Workplan (January 27th, 2021)

2020 Progress Report

- Developed first-ever Climate Action Plan (CAP) for the City of Bainbridge Island (COBI) that was approved by City Council.
- Had over 10 meetings with City staff in the development of the CAP to receive their input.
- Developed "roadmaps" for eight of the 18 immediate actions identified in the CAP.
- Collaborated with the Green Building Task Force (GBTF) and Sustainable Transportation Task Force (STTF) to ensure we were consistent in our approach to addressing climate change and had several meetings with the Chair of the Race Equity Advisory Committee (REAC).
- Worked with the Utilities Advisory Committee (UAC) to develop recommendations for the City regarding the PSE Franchise.
- Provide presentations to several local groups on climate change and the CAP (e.g., District, Senior Center, Oatmeal Club, and Rotary).

2021 Workplan

Participate in Community meetings and general outreach on the CAP and climate change

- CCAC members facilitated two Community meetings in January on the contents of the CAP and answered questions from the Community.
- CCAC members will provide presentations to other Community groups as requested and work with COBI to provide information to the public on the CAP and climate change in general.

Support COBI in the implementation of the CAP

- CCAC members will work in collaboration with COBI to implement the actions identified in the CAP.
- CCAC members will meet with COBI staff when requested to provide information and support in implementation of specific actions.

Complete roadmaps for the 18 immediate actions identified in the CAP and propose additional actions

- CCAC members will complete roadmaps for all 18 immediate actions identified in the CAP.
- CCAC members will identify the next set of actions in the implementation of the CAP and present to the City Council for their review.

Collaborate with other advisory and task forces on the Island

- CCAC members will collaborate with the GBTF and STTF as they develop their strategies.
- CCAC members will work with the REAC to develop a racial equity lens for the Island.
- CCAC members will work with the UAC on the PSE Franchise.

Respond to requests from City Council

- CCAC members will respond to requests by the City Council for specific analysis or advice on issues related to climate change.

If you have questions please contact either Michael Cox or David McCaughey.

Climate Action Plan: Status of 18 Immediate Actions (January 27th, 2020)

Area	Immediate Action	Status	CCAC Lead
Implementation	5.A.1.b/6.A.1.c/7.D.1.a: Use the EcoAdapt Climate Change Adaptation Certification Tool in COBI decision making.	Proposal submitted to City to identify a pilot project to test tool	Lara
	9.B.1.a: Equity implications are addressed in all actions	Proposed a joint meeting with REAC/CCAC to evaluate Portland and Seattle Equity Tool Kit.	Mike
	8.C.1.b/8.C.1.a: Hire City staff to coordinate and lead climate efforts and review existing authorities.	Working with City on job description. City hopes to advertise in 2nd quarter.	Mike
	9.D.1.a: Develop cost estimates and staffing needs for priority actions.	TBD	All
GHG Inventory	2.A.1.a: Improve accuracy of GHG Inventory.	City staff have been revising municipal contributions. Trying to set up meeting to discuss Community inventory and next steps.	Gary
Energy	3.A.1.b: Work with PSE to reduce our energy demand.	PSE put out a request for proposal for demand reduction programs on Bainbridge Island. Several CCAC members working with PSE on DOE Connected Communities grant.	David
	3.B.1.a: Work collaboratively with PSE, via the PSE Franchise to green our energy supply.	CCAC/UAC discussing recommendations at February 2nd City Council meeting.	Mike
	3.B.1.c: Prohibit propane, fuel oil, and wood stoves for primary heating in new buildings.	TBD	Mike
	3.A.2.a: Initiate discussions on establishing a Green Building and Energy Fund	CCAC submitted proposal to City for their consideration. Have not heard back.	David
Transportation	4.A.1.a: Support the recommendations from the Sustainable Transportation Task Force and ensure potential GHG emission reductions are considered in all options considered by Task Force.	Working with Mark Epstein and STTF.	Derik

Area	Immediate Action	Status	CCAC Lead
	4.B.1.a. Transition COBI's fleets to primarily electric vehicles, use biofuels where not an option, and encourage other Bainbridge Island taxing districts to also develop a plan.	CCAC submitted proposal to City for their consideration. Have not heard back.	Derik
	4.B.2.a. Evaluate current code to see if a need to increase the number of EV-charge-ready for all new development/major renovations and multifamily units/commercial development include EV charging infrastructure.	TBD	Derik
Buildings	5.A.1.a: Support the recommendations from the Green Building Task Force.	Coordinating with Peter Best and GBTF.	Mike
	5.B.1.a., b., and c: Build on preliminary sea-level rise assessment endorsed by CCAC.	TBD	Mike
Natural Environment	6.A.2.a: Create list of tree and plant species expected to be favored by climate change that can be used for forest management and restoration actions.	TBD	Deb
Waste	7.A.2.a: Pass an ordinance to reduce single-use plastics.	Former and current CCAC members working with City Council members.	Deb
Community Engagement	8.A.1.a. and b: Develop a web presence for climate change on City website and make climate information widely and easily available to all community members.	Submitted proposal to City for consideration. Have not heard back.	Julie
	8.C.2.a: Establish equitable access to recharging generators and cell phones during outages, and provide emergency food/water/filtered air during poor air quality due to wildfires.	TBD	Lara