



King County

Dow Constantine

King County Executive
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www.kingcounty.gov

March 25, 2022

The Honorable Claudia Balducci
Chair, King County Council
Room 1200
C O U R T H O U S E

Dear Councilmember Balducci:

This letter transmits a proposed Ordinance that, if enacted, would authorize the Executive to execute a Biomethane Purchase and Sale Agreement (contract) between BlueSource, LLC (Bluesource), and the Wastewater Treatment Division (WTD) of the Department of Natural Resources and Parks (DNRP). Approval of this proposed legislation would allow WTD to continue to sell and monetize renewable natural gas and related environmental attributes originating from the South Wastewater Treatment Plant (South Plant), thereby supporting the local clean energy economy.

Biomethane is purified biogas, which meets or exceeds all natural gas quality standards. It is interchangeable with fossil-fuel-derived natural gas. King County has produced renewable biomethane energy at the South Plant, injecting the biomethane into the nearby natural gas pipeline for more than 30 years, making it the longest operating wastewater Renewable Natural Gas-to-pipeline facility in the country.

In 2016, legislation was approved providing for biomethane produced at South Plant to be sold to a third party. Doing so enabled King County to realize significantly more revenue than it previously had earned from the sale of South Plant biomethane to Puget Sound Energy. This proposed legislation is a replacement of the existing contract, which expires on June 30, 2022. The proposed legislation will create a public benefit by continuing to support the use of biofuels for transportation purposes, while increasing the revenue received by the County.

The proposed legislation would allow King County to continue to tap into the economic value of environmental attributes for renewable transportation fuels, known as renewable identification numbers (RINs), through the federal renewable fuel standard (RFS), and to possibly participate in Washington State's upcoming low carbon fuel standard program. Under the existing contract, biomethane has generated more than \$29,000,000 in revenue since the beginning of 2017. This proposed contract builds on the existing contract with a new contract partner, resulting in a higher percentage of the environmental attribute value being provided to King County.

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The proposed legislation furthers the efficient, accountable regional and local government goal of the King County Strategic Plan. The legislation also furthers the Strategic Climate Action Plan by supporting the increased production of renewable natural gas.

Thank you for your consideration of this proposed Ordinance. This important proposed legislation helps King County build on our sustainability practices to ensure resources created by its treatment processes are directed towards beneficial uses for the County and our communities.

If your staff have any questions, please contact Sharman Herrin, Government Relations Administrator of the Wastewater Treatment Division in the Department of Natural Resources and Parks, at 206-477-5376.

Sincerely,

 for

Dow Constantine
King County Executive

Enclosure

cc: King County Councilmembers
 ATTN: Janine Weihe, Acting Chief of Staff
 Melani Pedroza, Clerk of the Council
Shannon Braddock, Chief of Staff, Office of the Executive
Karan Gill, Deputy Chief of Staff, Office of the Executive
Mina Hashemi, Council Relations Director, Office of the Executive
Dwight Dively, Director, Office of Performance, Strategy and Budget
Christie True, Director, Department of Natural Resources and Parks (DNRP)
Kamuron Gurol, Division Director, Wastewater Treatment Division (WTD), DNRP
Sharman Herrin, Government Relations Administrator, WTD, DNRP