

















TRANSMITTED ELECTRONICALLY

November 1, 2013

Mary Nichols California Air Resources Board Address Sacramento, CA 95814

Re: Bay Area Congestion Management Association Comments on Draft Scoping Plan Update (2013)

Dear Ms. Nichols

Thank you for the opportunity to comment on CARB's first update of the AB 32 Scoping Plan, *Discussion Draft Scoping Plan Update* ("Plan Update"). The Bay Area Congestion Management Agency (CMA) Association represents the nine county transportation agencies (sales tax authorities and congestion management agencies) that are investing in projects and programs that create accessible, convenient, equitable and sustainable transportation to move people and goods, spur economic growth and enrich communities. The nine Bay Area CMAs plan, fund and deliver almost \$1 billion each year for projects and programs that support the Bay Area's economy and help move over 7 million people each day. We are also responsible for assisting with the implementation of the Bay Area's Sustainable Communities Strategy (SCS) that supports implementation of SB 375.

The Bay Area CMA Association supports the discussion draft recommendations for a plan that supports multimodal investments and advanced technologies in passenger and freight systems. Our long-range plans similarly support multimodal systems to address the transportation needs of Bay Area travelers and we are embarking on efforts to address regional goods movement needs and priorities. Toward these efforts, the Bay Area CMA Association makes the following overall comments on the *Plan Update* with the goal of reducing GHG emissions from transportation:

Ensure that there is significant funding that can be used <u>now</u> to implement transportation investments that reduce GHG emissions.

The *Plan Update's* key recommendations for transportation focus on planning, changes to funding and market strategies and new regulations. These priorities support investments that expand clean passenger and freight technologies and equipment, low carbon fuels, and implementation of adopted SCSs. As the largest contributor to GHG emissions, the transportation sector has the highest requirement for GHG reductions, per Governor Brown's Executive Order <u>Executive Order B-16-2012</u>, which specifically requires an 80 percent GHG reduction.

For the transportation industry to achieve its GHG reduction target, significant and reliable funding sources are needed now to move the Bay Area SCS from a plan into implementation. The strategies included in the SCS will result in long-term shifts in travel and land use patterns, but require an up-front investment in infrastructure and development incentives to realize their GHG emission reductions. Without a significant commitment of funds this work cannot be implemented in a timely way to support the GHG reduction timelines and targets.

Direct significant Cap and Trade revenues to transportation investments that reduce GHG emissions

The State's new Cap and Trade program represents one of the most promising opportunities for investing in transportation strategies that support GHG reductions. Although the State has not yet allocated Cap and Trade funds, efforts are underway to define the program's allocation plan. While several sales have already been conducted, generating around \$1 billion to date, overall Cap and Trade revenues are expected to significantly increase in 2015 when transportation fuels are included in the program.

Given that the transportation sector accounts for 40% of State GHG emissions, the Bay Area CMA Association supports directing at least 40% of Cap and Trade revenues to transportation investments. Additionally, starting in 2015 the Bay Area CMA Association supports CARB working with the California State Transportation Agency and other regional and local transportation agencies to direct the additional revenues generated from transportation fuels to investments in the transportation sector. Directing fuel-based revenue to transportation programs that achieve GHG reductions will fulfill AB 32 goals and provide a "user fee" link between increased fuel prices and transportation investments that benefit those paying.

Support the successful planning and investment strategies developed and delivered by the regions and local agencies.

The nine Bay Area CMAs deliver almost \$1 billion each year for projects and programs that support the Bay Area's economy and mobility and reduce GHG emissions through cutting-edge transportation efforts such as:

- Bicycle and pedestrian infrastructure and programs
- Clean fuels and new technologies
- Express bus service
- Highway/roadway improvements to reduce congestion and support goods movement
- Mass transit operations and capital investments
- Transportation Demand Management programs
- Transit oriented development
- Senior and disabled transportation

Bay Area voters have approved local transportation measures that fund these investments. We are held accountable to strict delivery timelines through open and public processes and we report regularly to the public on how funds are expended. This accountability has resulted in significant investments that reduce congestion, improve access and efficiencies, and create safe, efficient and clean transportation systems. Recognizing and rewarding the efficiency and effectiveness of our delivery processes by directing funds and administration authority to regions and local agencies will enable the State to advance its GHG reduction goals.

In addition, the Bay Area CMA Association appreciates your acknowledgement of the local leadership needed in cities and counties to make the land use, infrastructure, and operations decisions that change the planning and implementation of our transportation systems. A continued recognition of local agencies' hard work and ongoing engagement in the GHG reduction efforts are essential for the State meet its goals.

Administer funding for transportation's GHG reduction program at the regional level.

The Bay Area CMA Association appreciates CARB's recognition of regional planning and local leadership in development of SCSs and the importance of supporting efforts both locally and regionally to implement these plans. In keeping with this key recommendation in the *Plan Update*, we recommend that CARB support that state funding for GHG reductions related to SCS implementation be administered at the regional level.

The Bay Area CMA Association appreciates your efforts on the AB 32 Scoping Plan Update, which will greatly influence transportation, fuels, and infrastructure in California and change the way we perceive and address energy efficiency, waste, water, and agriculture, as well as protect our natural resources and enrich communities throughout California. We see investment in the transportation sector as a key strategy to meet the State's ambitious GHG reduction goals.

Thank you for the opportunity to comment on the Draft Scoping Plan Update.

Sincerely,

Daryl Halls Bay Area CMA Association Chair

cc. Bay Area CMA Executive Directors Steve Heminger, MTC Executive Director Ezra Rapport, ABAG Executive Director