Center for Clean Air Policy Comments on Working Draft RTAC Report

The Center for Clean Air Policy applauds the work of the RTAC in addressing the difficult but critical issue of determining regional transportation and land use GHG targets within the statewide context of AB 32. We believe the framework in the draft report contains the seeds of an effective and equitable method for setting targets and ultimately reducing California's transportation GHG emissions. The target setting process as outlined, with some clarifying additions, would seem usable for recommending draft statewide and regional targets. The key to making the process work is in recognizing the proper role of what the report calls the Best Management Practices option.

CCAP believes that the phrase "Do, Measure, Learn" can succinctly sum up the best way to achieve substantive GHG reduction in the transportation sector. The use of a Best Management Practices (BMP) calculator can inform the "Do" step of the process by giving credit to regions that actually implement the projects, programs and strategies they have in their plans. We feel strongly, however, that unless the BMP analysis is of the highest caliber, it should not be depended on for "measuring" the actual number of tons of GHG emissions that are reduced and hence "learning" which programs are the most successful and cost effective.

CCAP offers the following suggestions for the RTAC to consider as it drafts the final report.

Section III - Regional Targets Advisory Committee Recommendations Target setting process MPO/ARB interaction

<u>Page 7, Step 2</u> of the process says that the ARB will "extrapolate" regional GHG emission estimates to statewide levels. Does this mean that they will aggregate the results and perhaps determine if the sum is commensurate with AB 32 targets? We believe that the term extrapolate should be clarified.

<u>Page 9, step 6</u> – Should be reworded to make it clear that in this step the ARB is considering responses from the MPO to the preliminary targets and that those responses should include the additional data, policies and other empirical evidence. As worded it seems like ARB is simply redoing step 5.

Target Setting Methods BMP

As stated earlier, we believe the BMP concept as proposed in the draft report may be usable for target setting, however we have reservations about using it to evaluate plans and progress toward a target. Travel demand modeling is a general term for best practices for predicting regional travel behavior under future scenarios. Practitioners understand that there are certain aspects of the built environment (the D's) and certain policy based strategies (for example pricing) that most models don't capture as well as desired. Ancillary models have been developed and used, such as post processing spreadsheets, etc., in an effort to improve the results.

The BMP list concept is a simplified version of a model, one that doesn't capture spatial interaction among a number of projects or policies. Thus for target setting it is important for project or program level analysis take into account the scale of program or project so as to accurately estimate the number of persons it will affect and the potential change in their driving. The draft report begins to address this issue when it discusses the need for BMP lists to be based on empirical studies and requiring users to input related land use and transportation information. With enough good data any type of model could produce good results; but it can be ultimately easier to use a spatial travel demand model rather than many "BMP" style models that each must be calibrated with specific accurate data.

<u>Page 20</u> - Using a simplified BMP methodology to demonstrate plan compliance with targets merely by checking off programs or projects should be avoided. For this reason we **recommend that any references to a "point" system be coupled with an additional requirement for accurately estimating the number of tons reduced calculated by using a generally accepted methodology.**

<u>Page 22</u> – Using the BMP method in an SCS compliance demonstration must be approached with extreme caution. Large MPOs that have travel models should not be allowed to use BMP only or to simply deduct BMP derived reductions from the results of their models. **BMP analysis should be used** *in addition* to modeling in MPOs that have models. ARB should ensure that policies and programs are not double counted and that the results always reflect the most accurate of the methodologies.

In theory any method can "verify" performance if measurable on-the-ground details of implementation, participation or use are put back into the calculations after project completion. Thus the BMP calculations should be required to reflect the latest on-the-ground information available about the historical performance of the specific practice being modeled in the location being analyzed. It is also important to have external checks on the overall effect of policy packages such as fuel sales and odometer readings.

Target metric

<u>Page 23</u> – Percent reduction per capita is an easy and understandable metric that accounts for regional growth. It is also true that regions with low per capita GHG emissions will need to make lower absolute reductions per capita. However, in some instances it could be more difficult to find additional reductions in regions that have already taken early actions. Thus **the idea that this metric gives credit for early action may be misleading**.

RTAC Recommendations and comments on Implementation

Incentives for exceeding target

<u>Page 28</u> - Cap and trade revenues should be used as incentives to regions that exceed a certain percent reduction based on a statewide target, otherwise they could set a low regional target and then exceed it to gain funds.

Local Government Problems p. 30

<u>Page 30</u> – A portion of Cap and trade money should go to support planning and data collection for transportation GHG reduction as well as for programs and projects. Consideration should be given to funding local infrastructure needs to support infill growth as a part of transportation GHG reduction.

Co-Benefits

<u>Page 40-</u> Consideration should be given to measuring and reporting GHG co-benefits outside transportation that result from appropriate transportation strategies. Care would need to be taken not to double count benefits in other sectors such as home energy.

Performance indicators

<u>Page 40</u> - This is a critical piece of the entire program and should be included in the target setting. Using performance measures could be very helpful in evaluating whether and how BMP based plans are actually achieving their goals. When an SCS/APS is approved it should set performance targets for various measures that relate to the actions proposed I the plan. Then as the plan moves forward it will be possible to track the effectiveness of actions more closely.