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The following document was provided by Gary Gallegos, Executive Director of the San Diego Association of Governments (SANDAG), and Regional Targets Advisory Committee member, on behalf of SANDAG for the RTAC's consideration.

## Proposed RTAC Roadmap for July through September

The roadmap outlined below is respectfully offered as an *action plan* to ensure that the RTAC meet its statutory directive of transmitting a report -- no later than September 30, 2009 -- to the California Air Resources Board providing recommended factors and methodologies the Board is to consider in the setting of regional greenhouse gas emission reduction targets.

To that end, the RTAC should:

A.) Engage a full discussion and position statement on the questions identified and discussed (in part) at the June meeting:

1. Should the regional targets be expressed in a safer more "secure" manner or should they be expressed in a way that causes MPOs to "stretch?"

The regional targets should reflect the underlying revenue assumptions MPOs use. A "secure" target should be based on a financially constrained revenue scenario while a "stretch" target should be based on an unconstrained revenue scenario. Optimally a region's target should fall somewhere between these two, based on that region's projection of revenues that could be reasonably expected.

2. Should MPO performance toward achieving the targets be measured through a modeling or a performance-based strategy checklist?

MPO performance towards achieving the targets established by ARB should be measured through MPO transportation models based on scientific observations and trends of historical and current conditions.

While transportation modeling in the State of California is different in each MPO, performance based strategies are too ambiguous and will not help MPOs realistically meet targets. Performance based checklists assume transportation policy and investments affect all of the MPOs equally. This is simply not the case. For example, a dollar invested in transit will have vastly different impacts in Los Angeles than Tulare.

Modeling is the only scientific way to allow MPOs to devise their own strategies for reaching GHG targets through land use and transportation. Local modeling is inherently a bottom up approach. The modeling teams pride themselves on their professional expertise and transparency of their models. Each of the four large MPO models is capable of evaluating complex scenarios. The four large MPOs represent over 80 percent of the state's population according to 2009 DOF estimates, and, therefore, the

large MPOs will most likely have to account for the largest portion of statewide reductions.

If a performance-based strategy checklist is to be considered, it should only be applied where existing tools are inadequate to effectively measure the impact of proposed GHG policy.

3. Should regions be recognized and rewarded for past good performance, or should all start out “even?”

A bottom-up approach to developing the target methodology would address this, as each region’s current state would be factored into its determination of how much future reduction is achievable.

4. Should incentives or “rewards” be available for regions that exceed their target(s)?

Incentives or rewards for regions that exceed their targets would be beneficial. However, in the early implementation years, going beyond projected targets will be based on modeling. Emissions inventories would need to be developed to estimate whether the emission reduction targets were actually achieved and/or surpassed.

5. How should housing affordability and social equity be taken into account?

Housing affordability should be considered, but it is unclear what impact it should have in setting targets. Regardless of whether an MPO plans for future housing demand, interregional commuting will continue to occur in San Diego and vicinity due to housing affordability and individual quality of life decisions.

Social equity (or environmental justice) should be considered as well to ensure that low-income and minority communities do not bear disproportionate hardships due to GHG related transportation policies and investment. SANDAG will conduct an environmental justice analysis as part of the development of the 2050 RTP. Currently, environmental justice analysis tools around the state are primitive, but work is underway at each of the four large MPOs on a PECAS model that will better examine environmental justice issues.

6. Should the RTAC recommend specific methods and factors to be considered in “adjusting” the 2020 targets?

RTAC should recommend that ARB allow each MPO to define and justify adjustment factors that are relevant to their region. A prescriptive

approach from ARB may not allow regions the flexibility necessary to meet GHG targets.

7. Should a region be allowed to “swap” overachievement of one GhG reduction measure (such as high absorption of low carbon fleets) against underachievement of others (such as lower success on land use and transportation policies)?

The GHG reduction measures attributed to cars and light duty trucks can be put into three categories: fuel efficiency, fuel mix, and vehicle travel. While the state is responsible for the first two (fuel efficiency and fuel mix), SB 375 addresses the vehicle travel component. Although the state, through the Pavley fuel efficiency standards and the low carbon fuel standard, will be responsible for GHG reduction from fuel, regions should get credit for actively participating in the deployment of alternative fuel vehicles that might be delayed or slow to implement without that assistance.

To the extent a region exceeds the state’s schedule for deploying alternative fuels and alternative fuel vehicles into the market, and the region can demonstrate its involvement in facilitating that process, credit should be given to that region.

8. How should future transportation funding for 2020 and 2035 and incentive funding for TDM programs be “scored?”

Transportation funding decisions should be made by the MPOs based on goals and policy objectives set for the Regional Transportation Plan and using objective project evaluation criteria to score and prioritize regional transportation projects.

If incentive funding for TDM programs becomes available from state or federal sources, regional TDM programs should be evaluated and scored based on cost-effectiveness towards reducing GHG emissions among other indicators.

Additionally consideration should be given to the impacts of state funding for public transit and the impacts this may have towards implementing GHG mitigating measures. Recently the State eliminated all State Transit Assistance (STA) for the next 5-years.

9. What can/should be done to influence federal legislation to assist MPOs in achieving their targets?

The upcoming reauthorization of SAFETEA-LU provides an opportunity to influence several areas that could assist MPOs in achieving their targets, such as additional resources for planning activities related to climate change and adaptation as well as travel demand and emissions modeling; additional flexibility in funding programs for MPOs to fund effective measures to reduce GHG emissions (e.g. transportation demand and system management, transit); more resources for both transit capital and operations, and consistency with state legislation.

If a cap and trade program is included in the federal climate change legislation, it would help regions to identify a funding mechanism to support public transit as an offset for other polluting sectors that are in need of GHG reduction credits.

10. Should regions that have adopted scenario-based “blueprints” be able to base their targets on those blueprints as long as the GhG emission reductions associated with those blueprints are “ambitious and achievable?”

Yes.

B.) Finalize recommendations on topics previously discussed but not yet resolved.

1. Should targets be allocated on a per capita basis or on a per household basis?

If targets are normalized across regions, the targets should be normalized by total population (per capita). This is the only standard measurement across all MPOs.

While there is a proven relationship between household members and transportation behavior, it is difficult to compare households across regions due to household size, income, and other socioeconomic indicators. Also, projecting households into the future adds one more assumption about household formation and size.

SANDAG staff still prefers an absolute target. In the end, the state is required to meet an absolute target based on the AB 32 scoping plan.

2. Should the emissions “baseline” be calculated on a pre-recession basis, e.g., 2005 rather than 2009 or 2010?

Regional targets should be absolute and sum to the total needed to meet the 1990 GHG levels as defined in AB 32. Discussion on a baseline value complicates the end goal of 1990 GHG levels across all sectors.

Similarly, in 2035, it is assumed that ARB will push towards the 2050 GHG goals established by Governor Schwarzenegger. The 2035 target will need to be ambitious to meet the Governor's challenge, but it should also be an absolute number based on the overall goal of 80 percent reduction in GHG from 1990 levels (approximately 85 MMT CO<sub>2</sub>E).

3. How should differences between urban and rural MPOs be accounted for?

Each of the four large MPO models is capable of evaluating complex scenarios. The four large MPOs represent over 80 percent of the state's population according to 2009 DOF estimates, and, therefore, the large MPOs will most likely have to account for the largest portion of statewide reductions.

Caltrans / CTC / ARB should offer assistance from the statewide transportation model for small rural MPOs.

4. How should responsibility for interregional travel be assigned?

Interregional trips should be shared on a proportional basis among the MPO regions. The MPOs should work together to assign trips appropriately among themselves. If agreement cannot be reached, ARB or CTC may be asked to provide guidance on reaching an acceptable compromise.

Further consideration needs to be given to international and interstate trips.

5. How should regional variations in vehicle retirement programs and other measures to address fleet efficiency mix and low carbon fuel standard be accounted for?

ARB's emissions modeling software (EMFAC) generally accounts for regional variations to address the factors mentioned above. However, guidance from ARB on adjustment factors that could be applied to projected emissions to account for accelerated vehicle buy back programs, electric vehicle fleets, alternative fuel programs or other regional measures should be provided to MPOs.

6. How should the impact of pricing and demand management measures on regional economies and growth rates be accounted for?

Pricing and demand management measure decisions should be made by the MPOs based on goals and policy objectives set for the Regional Transportation Plan and using objective project evaluation criteria to score and prioritize regional transportation projects. As part of the goals and policy objects, each MPO will weigh the regional economic impacts along with other considerations such as mobility, accessibility, and sustainability.

7. Should regional progress be tracked? If so, how and by whom?

Regional progress should be tracked. SANDAG staff support a program similar to the University of San Diego's EPIC San Diego County Greenhouse Gas Inventory report issued in 2008. A report similar to this could be updated on a 5 or 10 year basis to track progress towards the region's goals in transportation, energy, and other GHG sectors. As part of the Regional Comprehensive (Blueprint) Plan, SANDAG provides annual performance monitoring report to track progress toward regional planning goals. Indicators in this report plus additional metrics could be part of a future GHG (AB 32) monitoring program.

C.) Prepare a guidance statement to CARB on modeling requirements, including near-term and longer-term performance standards and empirical evidence standards to be set by an expert panel, including model testing requirements and calibration of VMT modeling estimates to actual fuel sales.

D.) Develop a roadmap, including a flow chart and schedule of actions to be accomplished at each remaining RTAC meeting. Identify specific decisions to be reached at each meeting including additional information needs for the August and September meetings to facilitate those decisions being reached.

E.) Prepare an outline of the final report to CARB including a framework of the decisions, processes and guidance underlying the final full report.

