Maine Transportation & Land Use Working Group Update

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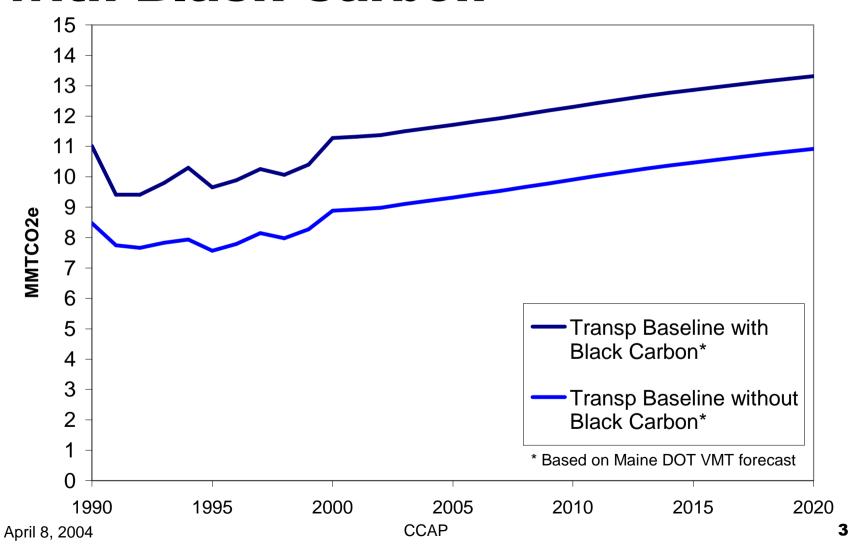


Baseline Update

- The working group considered US DOE and ME DOT VMT forecasts and opted to go with ME DOT data
 - □ ME DOT data will be updated in the late Fall
- CCAP examined potential discrepancy between trends in state data on fuel sales and fuel <u>consumption</u> (derived from VMT) and found no significant differences
- Black carbon: WG is assessing vehicle data (activity, turn-over rates) to refine a "BC" baseline
 - The working group proposes presenting transportation sector emissions and reductions with and without BC

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Draft Transportation Baselinewith Black Carbon





Impact of Black Carbon on Draft Baseline (compared to 1990)

	1990	2010	2020
Baseline	8,477	9,910	10,925
Percent above 1990		17%	29%
Baseline with Black Carbon	11,019	12,303	13,318
Percent above 1990		12%	21%



TLU 1.1a: Tailpipe GHG Emissions Standards

- The Working Group was deeply divided over this measure
- Supporters noted that Maine would join other states in the region that have indicated interest in adopting CA GHG standards once finalized. They also noted emissions benefits of adopting CA ZEV standards.
- Opponents expressed concerns about competitiveness impacts in Maine and potential legal exposure for the State
- There was significant support to "wait and see" how the CA standards are defined and the outcome of the likely lawsuit in CA
- Some supported a "trigger" mechanism where Maine would adopt the standards after a percentage of other states did



TLU 1.3b: GHG Feebates

- There was broad, but not consensus, support
- Supporters noted that this program will help "market transformation" to lower GHG cars, and that the measure should be crafted so as to be revenue neutral.
- Opponents noted that this program is a "tax," which hits working people hardest.
- Support for the measure increased among those present if it was not to be applied to commercial vehicles.



TLU 2.2: Land Use and Location Efficiency

- Many State agency initiatives promote efficient growth.
- WG members encouraged the State to look at "management units" and develop regional capital investment strategies to get beyond patchwork local government efforts
- There is consensus that these measures should be endorsed and strengthened.
 - WG members are developing brief write-ups on regionalization efforts, cross-cutting issues, school funding and sprawl, brownfield redevelopment, transit-oriented development, smart growth incentives, and open space preservation (in coordination with ag/forestry WG)



TLU 2.3: Increase Low-GHG Travel Options

- There was consensus that these measures are worthwhile.
- A sub-committee will identify gaps in existing programs and report back to the WG on how they can be strengthened.
- The VMT sub-committee and WG will discuss how to refine CCAP's initial VMT reduction calculation (2.2 and 2.3)



TLU 2.4: Incentives and Disincentives

- a) Commuter Choice: There was consensus to recommend this measure to the SAG as a voluntary program which should be expanded.
- b) VMT Tax w/Targeted Revenues [not discussed yet]
- c) Increased Fuel Tax w/ Targeted Revenue "
- d) Pay as You Drive Insurance (PAYD): There was significant interest and many questions. The WG will further research and discuss realistic penetration rates.
- f) Location Efficient Mortgage (LEM) Should be paired with PAYD.

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TLU 2.4: Incentives and Disincentives (continued)

- j) VMT Offset Requirements: [not discussed yet]
- k) Benefits for Low-GHG Vehicles (parking, HOV, etc): :
 There was consensus to recommend preferential parking to the SAG.
- Efficient School Bus Routing: CCAP assessing potential GHG reductions



TLU 3.0: Low-GHG Fuels

- The fuels subcommittee is developing a recommendation for WG consideration on May 6th
- Below are some initial thoughts
- Maine should look toward a diversity of fuels
- Propane CNG offer up to 25% savings, but the number of vehicles are small. Refueling infrastructure can be a constraint
- Biofuels offer significant reductions, but may be costly
- Hydrogen is far off but may be important in the future
- The Minnesota renewable fuels standard is one model to consider



TLU 4.0: Freight Measures

- The freight subcommittee is developing a recommendation for WG consideration on May 6th
- They will consider:
- 1. Vehicle technology
- 2. Vehicle operation
- 3. Intermodal freight
- 4. Incentives and disincentives



TLU 4.1c: Clean Diesel and Black Carbon (BC) Reductions

- The BC subcommittee is developing a recommendation and updated calculations for WG consideration on May 6th
- Recent scientific data: about 25% of global warming to date is caused by black carbon (uncombusted particulate matter emitted via tailpipes)
- Retrofit technologies can reduce BC emissions by 90%
- Initial cost estimates range from \$6 14 per MTCO2
- Significant health benefits from PM reductions
- Important to consider impacts on Maine businesses



Other Measures?

- The TLU working group has not yet discussed the following measures:
- **5.0** Intercity Travel
- 6.0 Off-Road Vehicles
- 7.1 Education



Next Steps

- TLU sub-committees are developing brief, actionable policy recommendation for WG consideration
- WG members will note where CCAP's initial calculation assumptions need to be refined and CCAP will then update calculations
- We are striving to get a lot done by email and conference calls in advance of May 6th
- Final WG recommendations for SAG consideration will occur on May 6th