SUMMARY OF AREAS OF CONSENSUS AND DESCRIPTION OF ALTERNATIVE OPTIONS OR APPROACHES PREFERRED BY GROUP MEMBERS IN AREAS WHERE CONSENSUS WAS NOT REACHED

TRANSPORTATION AND LAND USE WORKING GROUP MAINE GREENHOUSE GAS STAKEHOLDER ADVISORY GROUP

Submitted for June 30, 2004 SAG Meeting

ORGANIZATION ABBREVIATIONS FOR ORGANIZATIONS PRESENT AT MAY 20, 1994 MEETING:

- CSE= COALITION FOR SENSIBLE ENERGY
- NRCM= NATURAL RESOURCES COUNCIL OF MAINE
- MCC= MAINE COUNCIL OF CHURCHES
- PSR= PHYSICIANS FOR SOCIAL RESPONSIBILITY
- AVCOG= ANDROSCOGGIN VALLEY COUNCIL OF GOVERNMENTS (BOB THOMPSON REPRESENTED MUNICIPAL INTERESTS GENERALLY)
- DEP= MAINE DEPARTMENT OF ENVIRONMENTAL PROTECTION
- MMTA= MAINE MOTOR TRANSPORT
- MBTA= MAINE BETTER TRANSPORTATION ASSOCIATION
- MADA= MAINE AUTOMOBILE DEALERS ASSOCIATION
- MODA= MAINE OIL DEALERS ASSOCIATION
- MTA= MAINE TURNPIKE AUTHORITY
- MCSC= MARGARET CHASE SMITH CENTER FOR PUBLIC POLICY
- ENE= ENVIRONMENT NORTHEAST
- SPO= MAINE STATE PLANNING OFFICE
- MAINE TOURISM ASSOCIATION

OTHER INDIVIDUALS AND ORGANIZATIONS IN WORKING GROUP:

- ALLIANCE OF AUTOMOBILE MANUFACTURERS
- DRAGON PRODUCTS
- THE NATURE CONSERVANCY
- REP. TED KOFFMAN

TLU 1.1a Implement Tailpipe GHG Emission 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 (TLU 1.1b).
- Opponents expressed concerns about competitiveness impacts in Maine and potential legal exposure for the State. They also provided analysis showing no GHG benefits for the ZEV standard.
- 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
- Other states have recently adopted these standards.
- Favoring the option were CSE, NRCM, MCC, ENE, PSR, AVCOG, DEP, MAINE CLEAN COMMUNITIES, MCSC.
- Opposing it were MMTA, MBTA, Maine Tourism, MADA AND MODA.

TLU 1.1b Adopt Advanced Technology Component (formerly ZEV) of LEV II Standards

- Supporters noted emissions benefits of adopting CA ZEV standards.
- Opponents provided analysis showing no GHG benefits for the ZEV standard
- Favoring the option were CSE, NRCM, MCC, PSR, Maine Clean Communities, ENE.
- Opposing it were MMTA, MBTA, Maine Tourism, MADA, DEP MODA, AVCOG, MTA.
- DEP has expressed the view that, while it neither supports or opposes this measure at this time, the option is nevertheless one which ought to remain open for consideration by the SAG.

TLU 1.1c Fund R&D on Low-GHG Vehicle Technology

• [not discussed]

TLU 1.3.b GHG Feebates (state or regional)

- 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.
- Administering the feebates at the time of registration would avoid any potential "leakage" (i.e., if Maine residents were to buy high-GHG vehicles in another state to avoid paying the fee, or if out-of-state residents were to buy low-GHG vehicles in Maine in order to get the rebate).
- It is part of the Action Plan for the GHG plans in Massachusetts, Rhode Island and Connecticut.
- Opponents noted that this program is a "tax," which hits working people hardest. Given the political climate about taxes, this will be politically unpopular.
- The AVCOG representative felt this would be an additional burden on local municipal officials.
- Favoring the option were NRCM, MCC, PSR, DEP, MAINE CLEAN COMMUNITIES, ENE, MCSC. If commercial vehicles were exempted, in addition to those above, DOT and CSE also supported it.
- Opposing it were MMTA, MBTA, Maine Tourism, MADA, MODA, and AVCOG.

TLU 1.3d Provide Tax Credits for low-GHG Vehicles

• [Included in TLU 1.3b, above]

TLU 2.1 Develop Policy Packages to Slow VMT Growth

- The working group decided to use VMT reductions of 1.3% in 2010, and 3.8% in 2020 to reflect the savings from TLU 2.2 and 2.3.
- [Included in TLU 2.2, 2.3 and 2.4, below]

TLU 2.2 Land Use & Location Efficiency

•There is consensus that these measures should be endorsed and strengthened.

TLU 2.2a Review and amend state/local policies that encourage sprawl

(Refer in Appendix to Paula Thomson's memo which targets several state policies for review).

A number of WG members were concerned about the use of the term "sprawl," which has political connotations. Whatever terminology is to be used, WG members agreed they were referring in this option to inappropriate development, in inefficient locations, which encourage energy consumption.

There was unanimous agreement to support this measure.

TLU 2.2b Target Infrastructure Funding and development incentives to efficient locations

- •Regional planning and development districts [or other appropriate entities] should develop conservation and development plans with associated capital investment goals and strategies that meet regional needs and are consistent with the broad concepts of efficient land use planning and management.
- •DECD, MDOT, SPO and other state agencies, as appropriate, should work with the regional planning and development districts to develop coordinated investment programs that implement the regional investment goals and strategies.
- •DECD, MDOT, SPO and regional planning and development districts [or other appropriate entities] should work cooperatively to develop integrated strategies that allow for coordinated investment of state and federal program funds for infrastructure improvements which maximize the limited availability of resources and target infrastructure improvements to efficient locations.

There was consensus agreement to support this measure, as modified..

TLU 2 2c Infill, Brownfield Redevelopment.

There was consensus agreement to encourage the State to be proactive in identifying potential sites and to take advantage of federal monies available for these programs.

TLU 2.2d Transit-Oriented Development (see Appendix for Memo from Steve Linnell)

- •The WG noted the need for a clear definition of TOD. A suggested definition is found at http://www.vtpi.org/tdm/tdm45.htm and see Appendix.
- •There was consensus agreement that Maine should review state policies to encourage development which is tied to, encourages and accommodates transit.

TLU 2.2e Support Smart Growth Planning & Modeling

•MDOT and regional planning and development districts should work to identify methods and techniques that integrate local and regional land use planning and economic development strategies with multi-modal transportation planning and investment.

•Regional planning and development districts should seek broad public support by developing public outreach strategies to maximize citizen input for the initiatives noted above. This should be part of the State's cross-cutting educational efforts on climate change mitigation.

There was consensus agreement to support this measure, as modified..

TLU 2.2f Target Open Space Protection to complement smart growth and infill [for more detail, see The Nature Conservancy memo in Appendix].

- •coordinate with Agriculture/Forestry WG]
- •The Beginning with Habitat (BwH) program was created in 2000 with the goal of providing municipalities with the data and tools to prevent poorly planned development that leads to the loss, degradation, and fragmentation of habitat for the native plants, animals and natural communities of Maine. While the focus on the program is on habitat protection, it can serve as a guide for other planning, including transportation and other land use for the purpose of Green House Gas reductions. Support program funding.program funding.

Recommendations for bolstering Transportation and land use planning efforts in Maine (continued)

Recommendation: Gateway One is a long-term land use and transportation planning project developed by Maine DOT and coordinated with Route 1 towns from Brunswick to Prospect. Gateway 1 provides an opportunity to proactively plan for growth along the Corridor as a region. Support additional funding of this pilot project and determine where else in Maine such increased coordination would be useful.

•The revision of The Sensible Transportation Act (rule expected next session) provides an opportunity to make an explicit connection between municipal comprehensive plans and the reduction of GHG emissions. SAG should provide incentives (priority order etc) through Maine DOT to encourage compact mixed-use development and cross municipal planning.

There was consensus agreement to support the measures excepted immediately above from The Nature Conservancy's memo.

Land for Maine's Future is a program designed to support open space (working forest, farms, water access) conservation at a local and state-wide level. Funding has run out. Support a substantial land bond to be placed on November ballot

On this bond issue provision, MADA, MODA, Maine Tourism, and MMTA objected because their respective Boards had taken no position on this electoral proposal. MBTA also advocated passage of the transportation bond issue.

TLU 2.3 Increase Low-GHG Travel Options

Give appropriate [GHG] credit for existing alternative modes projects and use them as a base for expanding services and programs.

Note: The Working Group felt Maine should receive GHG "credit" for all programs in all areas.

There was consensus agreement to support this measure.

TLU 2.3a Finding Funding for Transit

- •Advocate for and obtain funding above and beyond current funding allocations for transit projects.
- •Work with Congressional delegation to get back Maine's fair share of fuel taxes, which could increase transit funds by \$14.5 million per year.
- •Find ways to expand the pool of operating funds for expansion of existing and development of new transit services. This is to be done without invading or diminishing constitutionally dedicated highway funds or existing and future highway tolls. This measure should also be coordinated with a DOT study being undertaken to examine alternative funding mechanisms.

There was consensus agreement to support this measure, as modified..

TLU 2.3b Improve Existing Transit Service (length and location of routes, frequency, convenience, quality)

- •Implement transit measures aimed at tourism. Provide shuttle services within Boothbay Harbor, Camden, Kennebunk, Ogunquit, Freeport and other frequently visited towns
- •Implement more transit measures associated with large employers. Such as local municipalities, MBNA, LL Bean and others. These employers could create transit incentive programs for their employees such as promoting the use of alternative forms of transportation, implementing van pooling, or carpooling. [See also 2.4a, Commuter Choice]
- There was near consensus on these measure IF the first word in each bullet was changed from "implement" to "encourage." NRCM objected, feeling "implement" was the preferable term. While supporting the option as modified [to use "encourage"], the following organizations also supported the use of the term "implement": CSE, DOT, NRCM, MCSC, MCC, SPO, PSR and DEP

TLU 2.3c Expand New and Existing Transit Service including rail, light rail, bus lines, and ferries.

•Create more mass transit that travels between towns and communities. (In addition to transit service provided within an existing town or city)

There was consensus agreement to support this measure, as modified.

TLU 2.3d Create New and Improve Existing Nonmotorized Facilities

•Give priority to non-motorized access at all major developments in order to stimulate the transit and economic benefits derived from pedestrian scale streetscapes.

There were concerns expressed about the scope of this measure-- would it prohibit gas stations? The WG agreed the intent here was to improve pedestrian safety and encourage citizens to walk at a large shopping center, and to coordinate with transit. Bob Thompson will craft language to include in report to SAG.

•Create/build longer and interconnected bike paths. *Create bike paths that are not accessible to automobiles* to encourage people to ride their bikes rather than use their cars. This could be especially effective for paths that run between towns and cities, and amongst their principal employers.

There was discussion that this measure should also support continued construction of paved shoulder bike paths. DOT will craft language which includes this.

•Create more and expand existing pedestrian facilities linking neighborhoods with schools, employers, commercial areas, etc.

TLU 2.3g Initiate a Fix-it-First policy

[not discussed]

TLU 2.4 Incentives and Disincentives

•Create financial incentives for people to use alternative forms of transportation on a consistent basis. Consider options such as tax write offs for money spent using transit, reimbursements by the State or Employer for subsidizing the cost of tickets.

It was noted that this topic is also addressed in the recent Executive Order.

There was consensus to support this measure, but concerns were expressed about reducing tax revenues.

TLU 2.4a Commuter Choice

(See Commuter Choice Memo in Appendix 3 for more detail)

- •Implement Commuter Choice tax incentives for vanpool and transit riders allowing them to pay up to \$100 per month using pre-tax dollars.
- •Additional regular funding for expanded vanpool program. Could use 15 new vans today
- •Preferred parking for carpools/vanpools/low GHG vehicles (including hybrids), and those vehicles in the Maine Clean Car Label program. MaineDOT is launching a pilot program using colored signs.
- •Dedicated fund for cooperative marketing of transit and GO MAINE program directed at commuters
- •Encourage integration of alternative modes into new employee benefits info
- •Regular updated notices to all employees on commuter options
- •Provide seed money and/or subsidies, matching money to employers to start van pools
- •Encourage employers to meet the criteria of EPA's Best Workplaces for Commuters http://www.bestworkplacesforcommuters.gov/

There was consensus to recommend this measure, as modified, to the SAG as a voluntary program which should be expanded.

TLU 2.4b VMT Tax

[not discussed]

TLU 2.4c Fuel Tax with targeted use of revenues

[not discussed]

TLU 2.4d Pay As You Drive Insurance (PAYD)

(See Handout provided by Natural Resources Council of Maine)

The proposal was changed to "Allow Maine car insurance companies to experiment with voluntary PAYD pricing programs."

There was near consensus agreement on this measure. MODA opposed it because it could adversely affect commercial technicians who drive many miles. MADA opposed it because of insufficient experience elsewhere to determine impact on insurance industry.

TLU 2.4f Location Efficient Mortgage

It was noted the Buildings and Facilities WG was working on this.

TLU 2.4j VMT Offset Requirements from large developments

[not discussed]

TLU 2.4k Benefits for Low-GHG Vehicles

There was consensus to recommend preferential parking to the SAG.

TLU 3.1 Set a Low-GHG Fuel Standard

(See Fuels Memo in Appendix 3 for more information)

- •Adopt a Renewable Fuel Standard appropriate to Maine
- •By 2020 all gasoline sold in Maine should be at least E-10 (10% ethanol)
- •By 2020 all diesel sold in Maine should be at least B-5 (5% biodiesel)
- •See Appendix for report of subcommittee in favor
- •Opponents expressed concerns about supply, distribution and price volatility
- •MODA opposes imposition of "boutique" standards, prefers passage of a Federal Renewable Fuel Standard
- •MADA objects because of concerns about the option's affect on manufacturers' warranties, and because this is inconsistent with Maine policies on ozone

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Favoring the option "as is" were CSE, NRCM, MCC, PSR, Senator Hall, DEP, MAINE CLEAN COMMUNITIES.

Favoring the option if it was adopted in a regional approach through NESCAUM were CSE, NRCM, MCSC, MCC, PSR, AVCOG, MBTA, ENE, Senator Hall, DEP, MAINE CLEAN COMMUNITIES

There was consensus support for seeking passage of the Federal Renewable Fuel Standard.

* Several state agencies noted that they did not have explicit authority to support this measure.

TLU 3.2 Low GHG Fuel for State Fleets

Subcommittee's Detailed Recommendations for Working Group Consideration:

- •Maximize use of B-20 (and/or other low-GHG fuel) in public fleets, where feasible
- E.g., MDOT maintenance, state contracts, Maine Turnpike, municipal
- •Expand use of CNG and LPG in urban vehicle fleets
- •Incorporate diesel power into the medium duty fleet; use B20 in on- and off-road vehicles
- •Continue/increase the purchase of low-GHG vehicles (e.g., hybrids)
- •Continue/increase the purchase of FFVs by CFM
- •Purchase diesel light vehicles when consistent with air quality regulation
- •Purchase CNG and LPG biofuel light vehicles where practicable and available
- It was noted that this option should be reconciled with a new alternative fuels study commissioned by the Legislature, as well as the terms of a recent Executive Order signed by the Governor

TLU 3.2 Low GHG Fuel for State Fleets (continued)

- Favoring the option "as is" were SPO, NRCM, DEP, MCC, PSR, Senator Hall, DEP, MAINE CLEAN COMMUNITIES, ENE. The other organizations opposed the measure. MADA specifically objected to the bullet advocating purchase of diesel light vehicles, because it is unable to sell these vehicles and finds the measure inconsistent with other state policies and discriminatory.
- There was near consensus to approve the option if it was adopted in a regional approach through the New England Governors and Eastern Premiers. The sole dissenter was MADA, which objected to the bullet advocating purchase of diesel light vehicles, which it found discriminatory.
- As a cross-cutting issue, there was consensus to pursue advanced technologies which have potential to reduce GHG.

TLU 3.3 Low-GHG Fuel Infrastructure

- •Invest in and provide incentives for fueling <u>infrastructure</u> for low-GHG fuels (biodiesel, ethanol, CNG, LPG)
- •Establish CNG infrastructure in other metropolitan areas and along the Turnpike
- •Take advantage of existing propane fueling infrastructure
- •Expand incentives for in-State <u>production</u> of biofuels
- •Provide incentives for the sale of low-GHG fuels
- •Provide incentives for the purchase of low-GHG <u>vehicles</u> (E85, CNG)
- •Consider use of CNG vehicles at LNG port

Favoring the option "as is" were SPO, NRCM, MCC, AVCOG, MCSC, PSR, DEP, MAINE CLEAN COMMUNITIES, ENE.

The other organizations opposed the measure. MADA specifically opposed it because it is unable to sell these vehicles and finds the measure inconsistent with other state policies and discriminatory.

• TLU 3.4 Hydrogen Infrastructure

[not discussed]

TLU 4.0 FREIGHT MEASURES

[not discussed]

• TLU 4.2.d Encourage Anti-Idling Measures

There was consensus agreement to support the following measure: "Support programs to fund infrastructure or develop incentives to reduce truck, locomotive, and marine engine idling through electrification and other technologies, enforcement and congestion management."

There was no discussion of or proposals on measures 4.2e,

4.3a, 4.3b, 4.3c, or 4.4a

TLU 4.3a Develop and fund a long-term regional infrastructure plan for rail and marine

TLU 4.3b Remove Obstacles to Freight Rail

TLU 4.3c Develop Intermodal Transfer Facilities

TLU 4.4a Procurement of low-GHG Fleet Vehicles (Freight)

A new proposal first offered at the May 20,2004 meeting received majority, but not consensus support: "Encourage Maine's Congressional delegation to continue to work to raise the weight limit for freight trucks from 80,000 to 100,000 pounds on the interstate north of Augusta."

Supporters noted this will get trucks off the secondary roads where there is stop and go traffic which increases idling and GHG.

Opponents felt that while this was desirable the change would provide incentives to keep more trucks on the road, rather than supporting alternative transportation of freight. The following organizations opposed the measure: ENE, MCC, PSR, NRCM, and CSE. All others present supported it.

TLU 5.0 INTERCITY TRAVEL [not discussed]

TLU 7.0 OFF-ROAD VEHICLES [not discussed]

TLU 7.1 Public Education [not discussed]

TLU 7.2 Improve GHG Data Collection

Recommend that all State of Maine agencies work towards consistency and compatibility amongst data collection/retrieval systems that will allow reliable and predictable access to and analysis of data that is directly relevant to the goals of Maine's GHG/Climate Control efforts.

• There was consensus agreement on this measure.

TLU 8.0 Clean Diesel Technologies to reduce Black Carbon

(See March 30, 2004 Environment Northeast memo in Appendix 3 for more details)

- •Gather statewide data on heavy duty mobile diesel engines and emissions
- •Establish working group to analyze: data, fuel issues, emission control technologies, costs, benefits, opportunities, case studies, pilot projects
- •Develop definition of Best Available Control Technology (BACT) by vehicle type, vintage, duty cycle to promote appropriate use of fuels and retrofitted engines.

TLU 8.0 Clean Diesel Technologies to reduce Black Carbon (continued)

- •Consider appropriate mix of measures, including:
- •Procurement Specify use of BACT in state funded construction contracts, state and municipal fleets (e.g., highway maintenance vehicles, snow plows, and transit)
- Incentives
- •Cut sales tax for ultra low sulfur diesel fuel (ULSD) for the period prior to federally required use of ULSD.
- •Develop an incentive program for retrofits of emission controls on in-use engines, and early retirement of older engines.
- •Support capital expenditures to reduce truck, locomotive and marine engine idling through electrification or the use of clean auxiliary engines.
- •Incentives could include reduced sales tax, enhanced tax deductions, rebates, and preferential bidding treatment. Incentives could be paid from a dedicated fund, using the Carl Moyer Program model or the Texas Emission Reduction Program model. Sources of funding could include bond funds, taxes, fees, federal appropriations and the like.

Consider appropriate mix of measures, (continued)

- •Regulatory Support
- •Propose legislation directing DEP to establish phased-in emission standards requiring BACT for particulates, black carbon and NOx for in-state, in-use diesel engines: (trucks (garbage, snow removal, dump, tanker), buses (school, transit, intercity), and construction equipment.
- •Establish anti-idling rules to eliminate unnecessary idling for all on-road, off-road, locomotive and marine engines.
- •Regional initiatives Recommend to the NEG-ECP that black carbon emissions be studied and considered for inclusion in the GHG inventories and baselines.
- •Federal initiatives Work with its federal delegation and EPA to raise increase funding for diesel retrofit programs, with particular focus on transboundary diesel sources (marine, interstate trucking).

Favoring the option "as is" were SPO, NRCM, DEP, MCC, PSR, MCSC Senator Hall, DEP, MAINE CLEAN COMMUNITIES, ENE, DOT, CSE.

Consider appropriate mix of measures, (continued)

Several organizations noted their opposition to any reductions in fuel taxes, which are deemed inadequate as they are.

There was consensus to approve the option if it was modified to include only the following bullets:

- •Gather statewide data on heavy duty mobile diesel engines and emissions
- •Establish working group to analyze: data, fuel issues, emission control technologies, costs, benefits, opportunities, case studies, pilot projects
- •Develop recommendations for a Maine Clean Diesel Program
- •Regional initiatives Recommend to the NEG-ECP that binational black carbon emissions be studied and considered for inclusion in the GHG inventories and baselines.
- •Federal initiatives Work with its federal delegation and EPA to raise increase funding for diesel retrofit programs, with particular focus on transboundary and international diesel sources (marine, interstate trucking).

On this measure, there was considerable debate about the use of the GHG reduction numbers in the document, since they were based on assumptions about implementation of specific initiatives, which was not supported since this measure calls for study and analysis only. The WG concluded these numbers were illustrative only and were not part of the consensus decision to approve the measure, as modified above.