

The Transportation and Climate Initiative (TCI): Multi-State Collaboration to Advance Equitable Low-Carbon Transportation



Presentation to: NACAA Climate Change Committee

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Presentation Outline

- Introduction to the Transportation and Climate Initiative Program (TCI-P):
 - What is TCI-P and how it will work?
 - What are the next steps for TCI-P implementation?
- How does TCI-P fit into the federal policy landscape?

Georgetown Climate Center: A Resource for State and Federal Climate Policy

- Launched in 2009 as a resource to states
- Works at the nexus of federal-state policies
- Supports states through research, facilitation, and convening
- Facilitates the Transportation and Climate Initiative



TCI Program (TCI-P) – Overview and Milestones

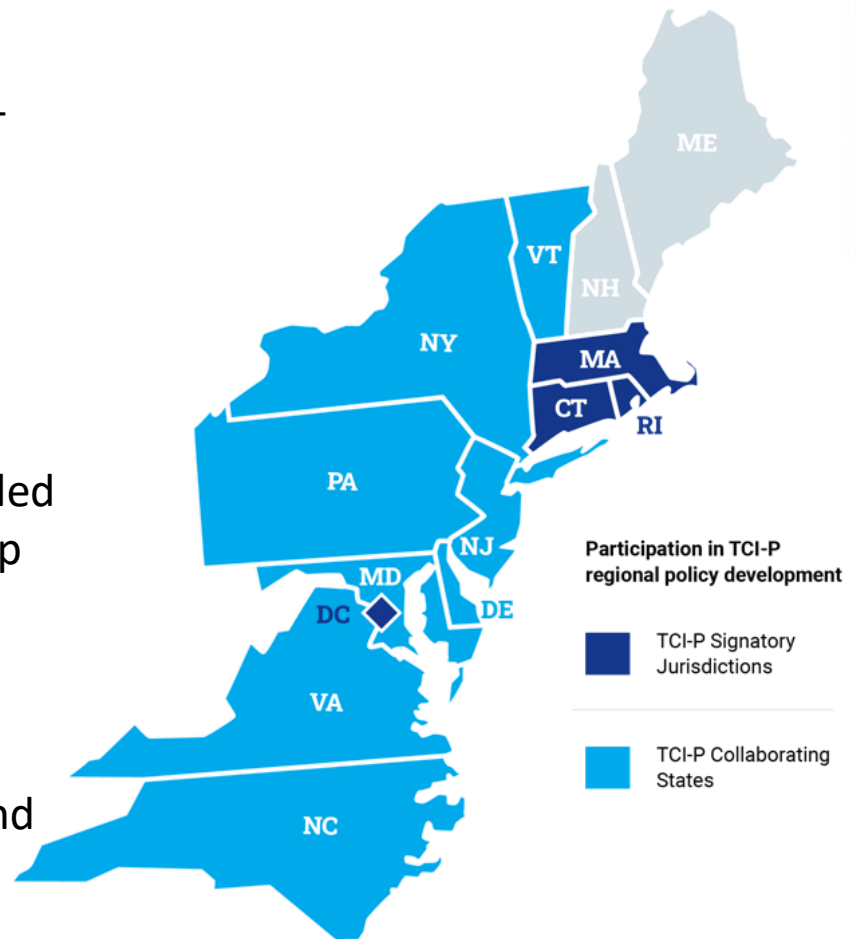
December 2018: Nine States and D.C. announced intent to design a regional low-carbon transportation program

December 2020:

- TCI-P launched by MOU signatory jurisdictions: CT, DC, MA & RI
- Statement from eight other states signaled intention to continue working to develop details of the regional program

June 2021:

TCI-P jurisdictions released a model rule and draft plans for public engagement and program implementation.



TCI Program Goals

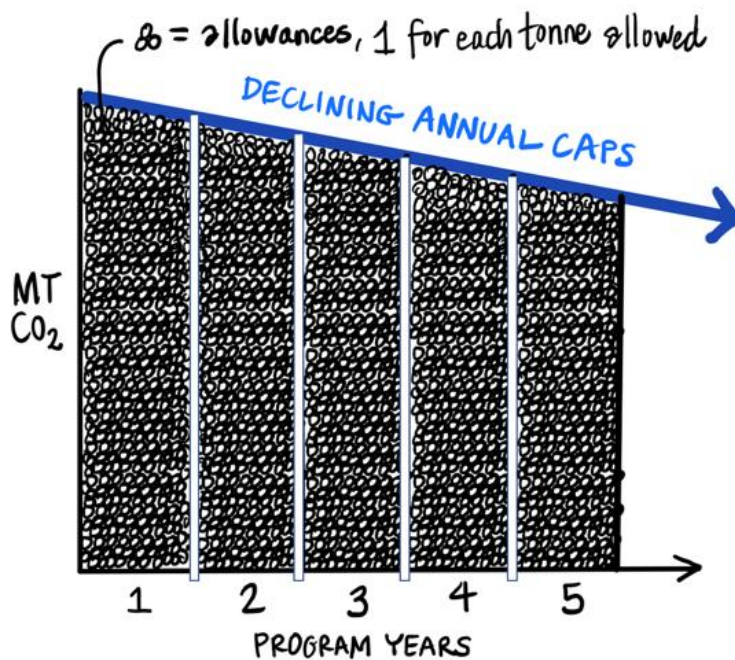
- Reduce carbon dioxide (CO₂) emissions from transportation sources
- Improve air quality and public health, increase resilience to the impacts of climate change, and provide more affordable access to clean transportation choices
- Promote local economic opportunity and create high quality jobs
- Maximize the efficiency of this multijurisdictional program to ensure greater benefits
- Advance equity for communities overburdened by pollution and underserved by the transportation system

Source: TCI-P MOU, Dec. 2020

(<https://www.transportationandclimate.org/sites/default/files/TCI%20MOU%2012.2020.pdf>)



How Does the TCI-P Cap-and-Invest Program Work?



- TCI-P reduces carbon dioxide (CO₂) emissions from gasoline and on-road diesel fuel sold in participating jurisdictions
- This is achieved by **capping** and reducing total CO₂ emissions from these fuels and auctioning “allowances” to regulated fuel suppliers
- Participating jurisdictions **invest** proceeds from quarterly allowance auctions in low-carbon strategies that create additional clean, safe, and affordable transportation options

*The **cap** and the **invest** parts of the program both help to reduce emissions*

How Will The Proceeds be Invested?

- Each participating jurisdiction has discretion to invest their share of the allowance auction proceeds:
 - Provide more affordable access to clean transportation choices;
 - Advance equity for overburdened and underserved communities; and
 - Further reduce pollution.



Equity is Central to TCI-P Implementation

- **Dedicated Investments:** a minimum of 35% of each state's proceeds to ensure that underserved and overburdened communities benefit equitably
- **Equitable Processes:** ensure communities can provide meaningful input to decision making, including through equity advisory bodies (next slide)
- **Transparency:** annually assess and report on equity impacts of the program. Monitor air quality in communities overburdened by air pollution
- **Additional Policies:** additional policies to achieve emissions reductions, particularly in overburdened and underserved communities (e.g., clean car and clean truck standards).

Each Jurisdiction Establishes Equity Advisory Bodies



- Made up of diverse stakeholder groups, with a majority representing overburdened and underserved communities, to advise on TCI-P decision-making:
 1. Define underserved and overburdened communities
 2. Recommend equitable investments and complementary policies
 3. Develop metrics for evaluating program benefits
 4. Recommend program improvements to ensure progress
 5. Make recommendations regarding air quality monitoring

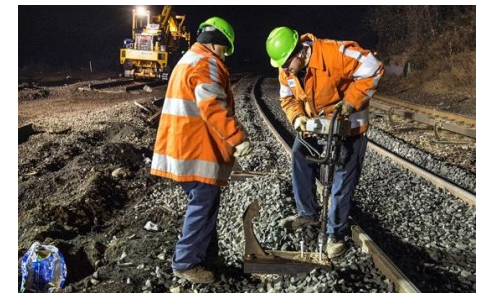
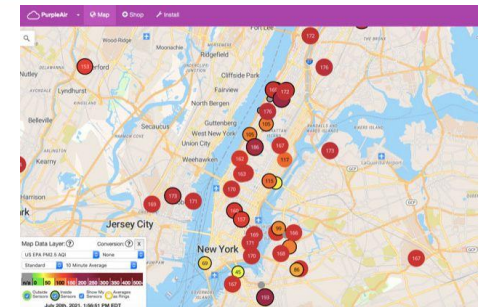
Next Steps for TCI-P Implementation

- **The TCI-P Model Implementation Plan** provides a common framework for jurisdictions to follow in developing their own Implementation Plans, describing the steps it will take to meet program goals and commitments
- **The TCI-P Model Rule** is a common framework to guide how each jurisdiction will develop the regulations with compliance requirements for fuel suppliers.
- **The TCI-P Framework for Public Engagement** outlines principles to guide TCI-P jurisdictions efforts to encourage public participation, by making it more accessible and by building capacity for sustained, long-term community engagement.



TCI Strategies for Regional Collaboration

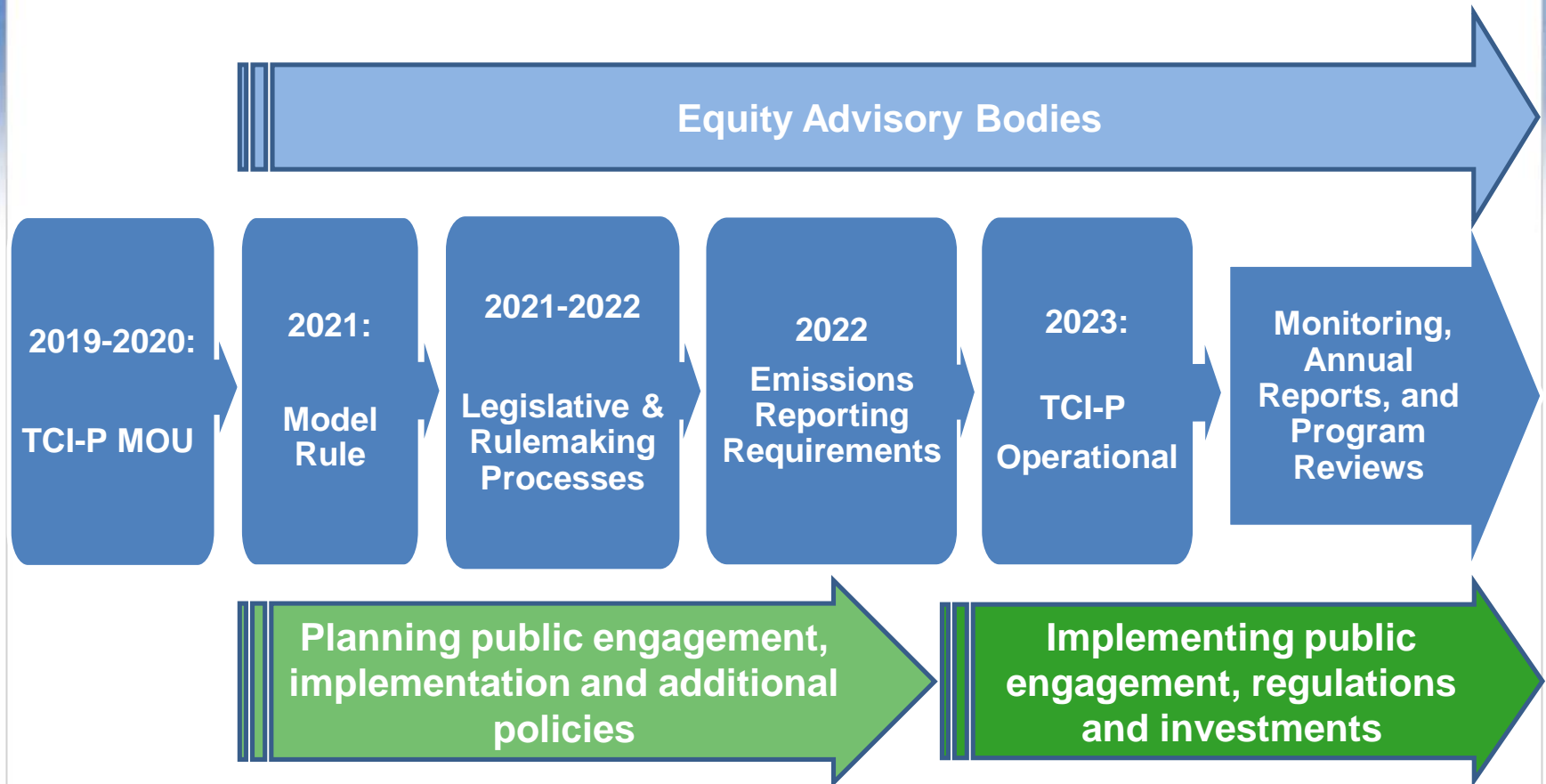
- Air quality monitoring in communities overburdened by air pollution to ensure transparency regarding the effectiveness of emissions reduction policies
- Ensuring high-quality domestic jobs and workforce development
- Investing in transit to ensure safe, reliable and equitable service
- Coordinating public engagement and implementation plans to replace diesel trucks and buses with zero emissions vehicles
- Multi-state electric vehicle corridor planning to enable equitable access to electric vehicle charging



Draft Proposed Strategies for Regional Collaboration:

<https://www.transportationandclimate.org/sites/default/files/Draft-Proposed-Strategies-for-Regional-Collaboration.pdf>

Implementation Timeline & Opportunities for Public Input



The Federal Policy Context - Parallels to TCI-P

- Justice40 implementation
 - Defining disadvantaged communities
 - Evaluating the community-level benefits of specific infrastructure or other project-level investments
- Developing and maintaining local air-quality monitoring networks
- Regionally coordinating investments in EV charging infrastructure

Questions?

More information about TCI

<https://www.transportationandclimate.org/tci-p>

Contact information for TCI jurisdictions

<https://www.transportationandclimate.org/jurisdiction-points-of-contact>

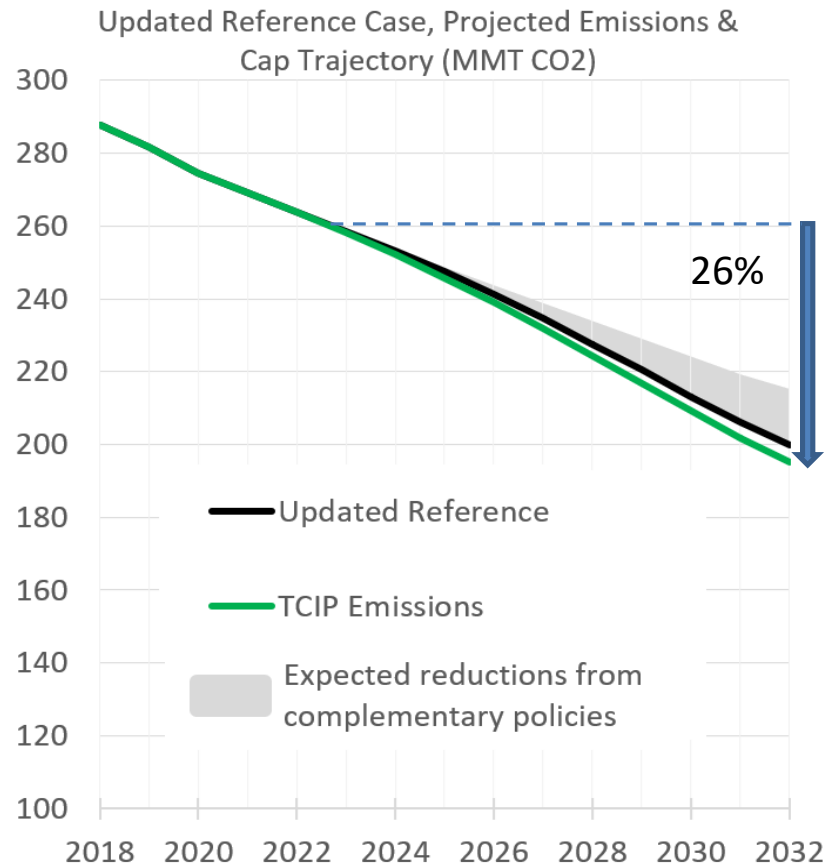
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Extra Slides

Projected TCI-P Emission Reductions

- The TCI-P cap, working with clean transportation investments and complementary policies, is projected to reduce emissions by at least 26 percent in participating jurisdictions, from 2022 to 2032.



Modeling Investments in Clean Transportation

Illustrative investment portfolio (annual)

- Up to \$2 billion in annual investments*
- By 2032, this could result in additional sales of:
 - 24,000 electric transit & school buses
 - 23,300 electric trucks



\$550 million

Electric cars, light trucks and vans



\$425 million

Low & zero-emission buses and trucks



\$330 million

Transit expansion and upkeep



\$250 million

Pedestrian and bike safety, ride sharing



\$150 million

System efficiency



\$150 million

Indirect/ Other

* Assumes 13 TCI jurisdictions participate (from VA to ME)

Public Health Benefits from Improved Air Quality & Increased Physical Activity

If all 13 jurisdictions participate*, estimated annual benefits in 2032 are:

- Up to \$3.6 Billion in total Public Health Improvements
- 350 premature deaths avoided, and
- Over 11,000 fewer childhood asthma cases and exacerbations

* Assumes 13 TCI jurisdictions participate (from VA to ME)



Economic Benefits are Modest and Net Positive



- Program projected to have a positive impact on the economy in all scenarios modeled.
- GDP, income, and jobs are projected to be greater than business as usual in 2032 and increasingly net positive over time.
- The program saves money for businesses and individuals and helps states make progress towards climate goals at modest cost and net benefit for the economy.

Summary of TCI-P Documents

Draft TCI-P Model Implementation Plan

1. Introduction and Program Goals
2. Establish an Equity Advisory Body
3. Define Underserved and Overburdened Communities
4. Develop a public engagement plan
5. Adopt jurisdiction-specific rules
6. Ensure transparency and accountability
7. Invest proceeds and creating high-quality jobs
8. Administer TCI-P
9. Advance additional policies

**Draft
Framework for
Public
Engagement**

Model Rule

Draft Strategies for
Regional Collaboration

- Air quality monitoring in overburdened communities

- Invest in high-quality jobs and workforce development

- Invest in public transit

- Implementing medium-/heavy-duty ZEV MOU
- Equitable electric vehicle corridor planning