To: Transportation Task Group
From: Julie Moore, Secretary, Agency of Natural Resources
Joe Flynn, Secretary, Agency of Transportation
Date: October 28, 2022
re: Proposed Modifications to Task Group Recommendations

Since the adoption of the Initial Climate Action Plan (CAP) in December of 2021, we understand that the Transportation Task Group has continued to meet to advance recommendations that further reduce emissions in the transportation sector to meet the 2025 and 2030 GHG emission reduction requirements of the Global Warming Solutions Act (GWSA). At the same time, there are several significant, inter-related pieces of transportation policy that are currently and actively moving – chief among these are the Advanced Clean Car II (ACCII) and Advanced Clean Truck (ACT) rulemaking and the development and implementation of a Carbon Reduction Strategy (CRS) for the State of Vermont. Both of these efforts align well with the recommendations from the Task Group.

We are concerned, however, that several of the Task Group recommendations presuppose the outcome and the impact. Specifically, we feel strongly that the CRS needs to be completed for Vermont to have a full understanding of what additional targeted or sector-wide policy pieces will be effective or needed.

Given the significant areas of agreement for near-term opportunities, and what we believe to be a shared sense of the importance of the CRS, we offer the following "friendly amendments" to the recommendations of the Task Group as a package we believe can enjoy unanimous support. Specifically, we are proposing the following for consideration:

- **Continue to advance the transportation recommendations laid out in the initial Climate Action Plan** adopted in December 2021 including cornerstone measures like Advanced Clean Cars II and Advanced Clean Trucks, and further the design and implementation of other supporting strategies identified in the plan needed to maximize the impact of ACCII and ACT, including efforts to realize greater vehicle efficiency and decrease vehicle miles travelled to compliment the deployment of electric vehicles.

- **Develop and implement strategic revisions to the state's EV incentive programs** that will help cut gasoline use faster, more efficiently, and at a lower cost; maximize the carbon reductions of the EVs put into use; improve equity; compliment federal programs and funding; and foster a transition that prioritizes vehicle ownership to lower income and historically underserved Vermonters.

- **Support the State's equitable build out of highway, multi-unit dwelling, community, and workplace charging** such that all Vermonters feel confident purchasing an EV of any weight class and that the funding to maintain Vermont's infrastructure is viable long-term. This recommendation includes the equitable transition of Vermont's current infrastructure that supports internal combustion engine vehicles and the Vermonters that own and operate them.

- **Continue to ramp up outreach and public engagement** to help identify public priorities as well as policies, programs and incentives viewed as essential to the successful transition of the transportation sector.

- **Begin to collect and analyze timely and accurate Vermont-specific data,** including information on volumes and fuel types, foundational to the successful design of any future policy or program. Specifically, develop a GHG emissions reporting program for the transportation sector to replace the large federal datasets that are currently used with actual reported values from Vermont entities. This data will also improve accuracy and timeliness of the annual GHG Inventory prepared by ANR. Consideration should be given to whether this is data is best collected by developing a universal reporting program from existing fuel and tax reporting programs to minimize reporting burdens. Consideration should also be given to extending this work to include the thermal sector.

Advancing these recommendations will support a data-informed conversation about necessary next steps in the transportation sector, including having available Vermont-specific data and analysis necessary evaluate the efficacy of possible mechanisms for realizing near-term GHG emission reductions needed to reach the 2030 requirement and inform whether a sector-wide policy is needed to effectively deploy them.