Transportation Task Group Meeting – 8.8.22

Present: Jane Lazorchak, Andrea Wright, Gina Campoli, Philip Picotte, Chris Campany, Sebbi Wu, Meghan O'Toole, Alice Peal, Deirdra Ritzer, Bram Kleppner, Johanna Miller, Cheryl Joy Lipton, Rachel Stevens, Jennifer Wallace-Brodeur

<u>Agenda</u>

- Approval of minutes from 7/18 meeting
- Update on ICAR Meeting and Transportation Events
- Draft <u>Transportation Recommendations</u>
 - Discussion
 - Prep for August CSM Meeting & September Council Meeting
- Update on Carbon Reduction Strategy RFP Proposals
- Public comment

Update on ICAR Meeting (8/8):

- Engaged in ICAR process for a few months prior to filing the rule with the Secretary of State's office
- Comments/suggested changes by ICAR:
 - Navigating complexities of the rules, will be providing more accessible information:
 - Rachel's 10-page summary to boil down compliance information for auto manufacturers
 - Direct/indirect environmental impacts in supplemental info
 - Will be adding to the supplemental information, including how it will impact electricity grid
 - Incorporation by reference discussion in regard to alignment with CA rules
 - Discussion about how to quantify public health benefits, COBRA modeling does this data help or hurt regulation, significance?
- Will be updated supplemental analysis in rule record, will be filed and publicly available
- Committee approved rule to move forward unanimously
- Next steps:
 - Rachel, Dierdra and Meghan will be filing rule package by end of this week with Secretary of State's office, with edits suggested by ICAR
 - Robust process of formal public engagement can commence, need to discuss more details of those events in September, run of show and vision for proceeding

Public Engagement Events on ACCII and ACT Rules:

- 9/7 Manchester, 9/8 Newport, 9/9 Burlington, 9/15 Bellows Falls, 9/21 Barre, 9/23 Virtual at noon
- Will be looking for logistical support notetakers, tabling, etc. Stay in touch if you're available to support those meetings
- Also planning stakeholder meeting for deeper dive into medium and heavy-duty vehicles, targeting dealers, fleet owners, other stakeholders for those requirements
- Will send around the dates via email, reply with your availability to join and then coordination for additional capacity can be determined
- Likely will have additional meetings around running these meetings, need to decide whether having CBI to facilitate
- Tabling VTrans (re: incentives) and others should plan to table at these events as availability allows

Review of **Draft Transportation Recommendations**:

- Obligation to develop a recommendation for the Climate Council to consider and adopt
- Two primary strategies for a stepped and certain reduction in the transportation sector
 - Cap & invest / cap & reduce, or
 - Performance-based regulatory approach, or
 - A combination of both
- Continue advancing transportation recommendations outlined in initial CAP, adopted Dec. 2021, including rulemaking measures like ACCII and ACT, creating a Transportation Equity Advisory Board, etc.
- Timely and accurate data as an essential precursor to policy or regulatory approach, recommendation that ANR establishes a new GHG emissions reporting program
- Continue to ramp outreach/public engagement to identify public priorities to shape policy and program design, including work with JT Subcommittee

Discussion of Draft Transportation Recommendations:

- Gina: how does VTrans initiative on Carbon Reduction Strategy relate to the other work happening/the need for a broader, sector-wide strategy?
 - Jane: feels appropriate to reference Carbon Reduction Strategy when referencing need for strategies, as it will set the stage for the need for these approaches. Make a full circle comment.
- Jane: would like to understand the role of who is on this task group for state staff? What is the role of each person in speaking to whether these are consensus task group recommendations, etc.?
- Chris: add language along the lines of "Incentive programs should be structured to get the drivers burning the most gasoline to switch to EVs first. Doing so will reduce emissions more efficiently and will do a better job advancing equity in the transition to EVs..."
 - \circ $\;$ Johanna: Certainly can weave something like that in
- Johanna: Legal requirement to reduce emissions, not rewriting the plan just refining this component of it. TCI-P is still in the plan and may be revived. Need to understand how far programmatic investments will get us, and what is the gap to fill? And how will we fill it?
- Jane: re: TCI-P, there may be value in articulating more in the intro to the memo TCI-P was 2 things—revenue for investment in programs and also emission reductions.
 - Federal revenue is one-time money, will need additional, long-term funding to support programmatic investments going forward AND need to meet emissions reductions
 - Is there an approach where we speak to CRS and likelihood it will tell us that we need a regulatory framework (rather than trying to meet req's via programmatic investments)? Iterative process we could build into first statement around expectations (first Transportation Memo had language on this).
- Andrea: what is the timeframe in first bullet? "Continue to explore and ultimately adopt a sectorwide approach", but when? And how far off is the CRS from this first bullet? Phase II speaks to policy options to close the gap, developing scenarios by Sept 2023
- Bram: we don't know that we have to have a cap & reduce, and we don't know that we can get there without it... have to understand whether that is the best way to get there before recommending it.
- Sebbi: Feels that discussion of meeting GWSA requirements is a ceiling, but should be a floor in terms of emission reductions and advancing equity. Impression from original Transportation Memo and research is that there's no reasonable path with current programs must have regulatory approach. Inadequacy of action until now in reducing climate pollution brings skepticism, and more predictable regulatory frameworks can be tailored for equity.
- Chris: we should add something about the economic opportunity side of this work

- Bram: Do we have enough confidence to state that Western Climate Imitative or Low Carbon Fuel Standard are the approach of choice, in absence of TCI-P?
 - Jane: if we clearly state we want one of these policies, what does that mean? None of these things will be ready for years to actually stand up. Are we ready to name one?

Prep for August CSM Meeting (Thursday 8/18) and September full Council Meeting:

- Hoping this group could coalesce around memo, united front for CSM meeting next Thursday
- Work together in a Google doc to add more around TCI-P, equity provisions, etc. and then have another conversation around recommendation to CSM team on 8/18?
- Johanna and Sebbi are going to take the current memo, capture comments and substance and put out a version 2.0
- Have ensuing conversation at next Monday's standing TTG meeting, finalize second iteration of this draft for Thurs CSM meeting
 - Build time into next Monday's meeting to discuss procedural clarity, understanding if these recommendations are on behalf of full task group, re: state employees in the group

Carbon Reduction Strategy RFP Update:

- Consultant should be formally on board by end of this week, signing contract
- Andrea will be sending out recommendations for Technical Advisory Committee in the next couple of weeks, get ruling

Public Comment:

- Cheryl Joy Lipton: No more time for studies/research/analysis, time to start the work of doing. Amend and edit as data comes in, but cannot afford to wait on action.
 - Lots of behavioral changes aren't recommended explicitly, although more in earlier iterations of transportation recommendations.
 - Bicycles is one example, compact settlements is another directly part of transportation
 - \circ Add these behavioral changes in > EVs