

May 7, 2021

TO: TCI Leadership Team:

Chair, Kathleen Theoharides, Secretary, Massachusetts Executive Office of Energy and Environmental Affairs

Vice Chair R. Earl Lewis, Jr., Deputy Secretary, Maryland Department of Transportation

TCI Executive Policy Committee:

Co-Chair Marty Suuberg, Commissioner, Massachusetts Department of Environmental Protection

Co-Chair Roger Cohen, Senior Advisor to the Secretary, Pennsylvania Department of Transportation

TCI Technical Analysis Workgroup:

Co-Chair Christine Kirby, Assistant Commissioner, Massachusetts Department of Environmental Protection

Co-Chair Chris Hoagland, Economist, Climate Change Division, Maryland Department of the Environment

TCI Investment and Equity Workgroup:

Co-Chair: Garrett Eucalitto, Deputy Commissioner, Connecticut Department of Transportation

Co-Chair: Kate Fichter, Assistant Secretary, Massachusetts Department of Transportation

Co-Chair: Kirsten Rigney, Legal Director, Connecticut Department of Energy and Environmental Protection

Co-Chair: Dan Sieger, Undersecretary of Environmental Affairs, Massachusetts Executive Office of Energy and Environmental Affairs

TCI Outreach and Communications Workgroup:

Co-Chair Chris Bast, Chief Deputy, Virginia Department of Environmental Quality;

Co-Chair Elle O'Casey, Director of Communications and Outreach, Vermont Agency of Natural Resources

RE: Statements on the Transportation Climate Initiative Program's Model Rule, dated March 1, 2021.

The New England Convenience Store & Energy Marketers Association (NECSEMA) represents convenience store and transportation fuel wholesalers and retailers, and the businesses which supply them. NECSEMA members wholesale and/or retail most of the transportation fuel sold in New England and employ over 120,000 people.

NECSEMA is not opposed to sensible strategies which seek to reduce Greenhouse Gas (GHG) emissions from the transportation sector, nor are we opposed to thoughtful tax policy that may increase the price of gasoline and diesel. Our members recognize the

evolving landscape of mobility and the reduced role gasoline and diesel are likely to play in the coming decades. They also recognize the importance of reliable funding sources for transportation infrastructure.

As the *regulated community* under the Transportation Climate Initiative Program (TCI-P), we have been engaged with TCI-P designers for several years and have provided both constructive and critical commentary on the design of the program. Our concerns have centered on the unnecessarily complicated and burdensome nature of the program, and consequences related to restricting the flow and availability of fungible, critical infrastructure products. Most recently, we met with Massachusetts representatives of TCI-P to ask questions and voice concerns about the allowance auction process.

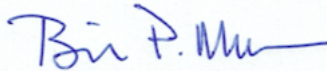
After careful, open-minded consideration and attendance at countless webinars, town-halls, and private meetings, we cannot find a pathway to be supportive of TCI-P in any form. Our determination is the program offers poor climate-mitigation value, is opaque, overly complex, and burdensome to industry stakeholders, and risks localized price spikes and supply outages. As a result, we respectfully decline the opportunity to provide any commentary beyond what we have already shared which we believe to be significant.

If and when states in NECSEMA's advocacy footprint design and debate programs that are balanced, transparent, of good value and do not overly and unnecessarily burden our industry and pose dangerous risk to business and consumers, we will be willing partners at the table. Unfortunately, TCI-P does not meet that threshold.

Respectfully,



Jonathan Shaer
Executive Director
Jon@necsema.net
781-297-9600 x3



Brian Moran
Director of Government Affairs
Brian@necsema.net
781-297-9600 x4