



TO: TCI
FROM: Lock Wills
DATE: February 28, 2020
SUBJECT: December 17, 2019 Webinar & Report

My name is Lock Wills, and this will supplement my previous November 4, 2019 comments to you. Since those concerns, TCI has provided additional modelling and statements on how the proposed Regional TCI would function. This memorandum will provide my observations and concerns about the policy proposals.

1) Consumers Will Pay Sharply Higher Fuel Taxes

Slide 27 depicts, for the first time, the tremendous tax burdens TCI places on consumers. Allowance costs will be passed on by fuel companies like ours; there's no "free lunch." I live in Maryland. Based on 2018 MD Fuel Sales, a 17 cpg tax increase will impose a new \$557 million burden on MD citizens.

Further, TCI plans fail to tell us how future allowances will be determined, and by whom. This lack of transparency is alarming and must be removed.

2) MD Consumers Oppose New Fuel Taxes

A January 2020 Gonzales poll says that 73% of Marylanders oppose a gas tax to fight Climate Change. Only 23% of those polled support a tax increase. The opposition is across all demographic segments and regions of the state. See attachments from the Poll.

3) Program Costs Far Outweigh Benefits

Slides 27-30 from the Webinar depict minimal reductions in emissions of +1% to +6%. The billions spent to achieve those benefits are simply not economically justified.

In summary, TCI is an ill-conceived tax increase, with dubious benefits to our Region's economy or air quality. The Cap & Trade system isn't working in California, and it is unlikely to work here. It is an unrealistic policy proposal that deserves to be rejected.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Lock Wills".

Lock Wills
Chairman, CEO & President

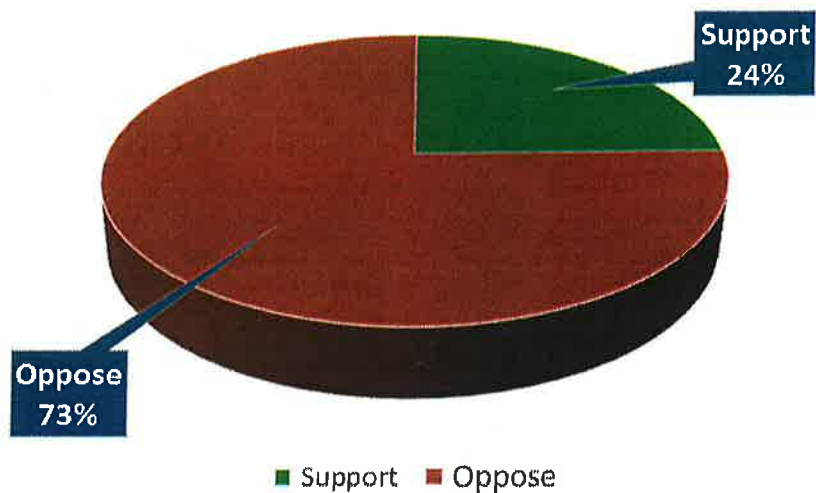
Enclosure

cc: Ellen Valentino

Gonzales January 2020 Poll Results

Among voters, 24% support increasing the gasoline tax in Maryland in order to fight climate change (10% “strongly support” and 14% “somewhat support”), while 73% oppose increasing the gasoline tax in the state to fight climate change (62% “strongly oppose” and 11% “somewhat oppose”), with 3% providing no answer.

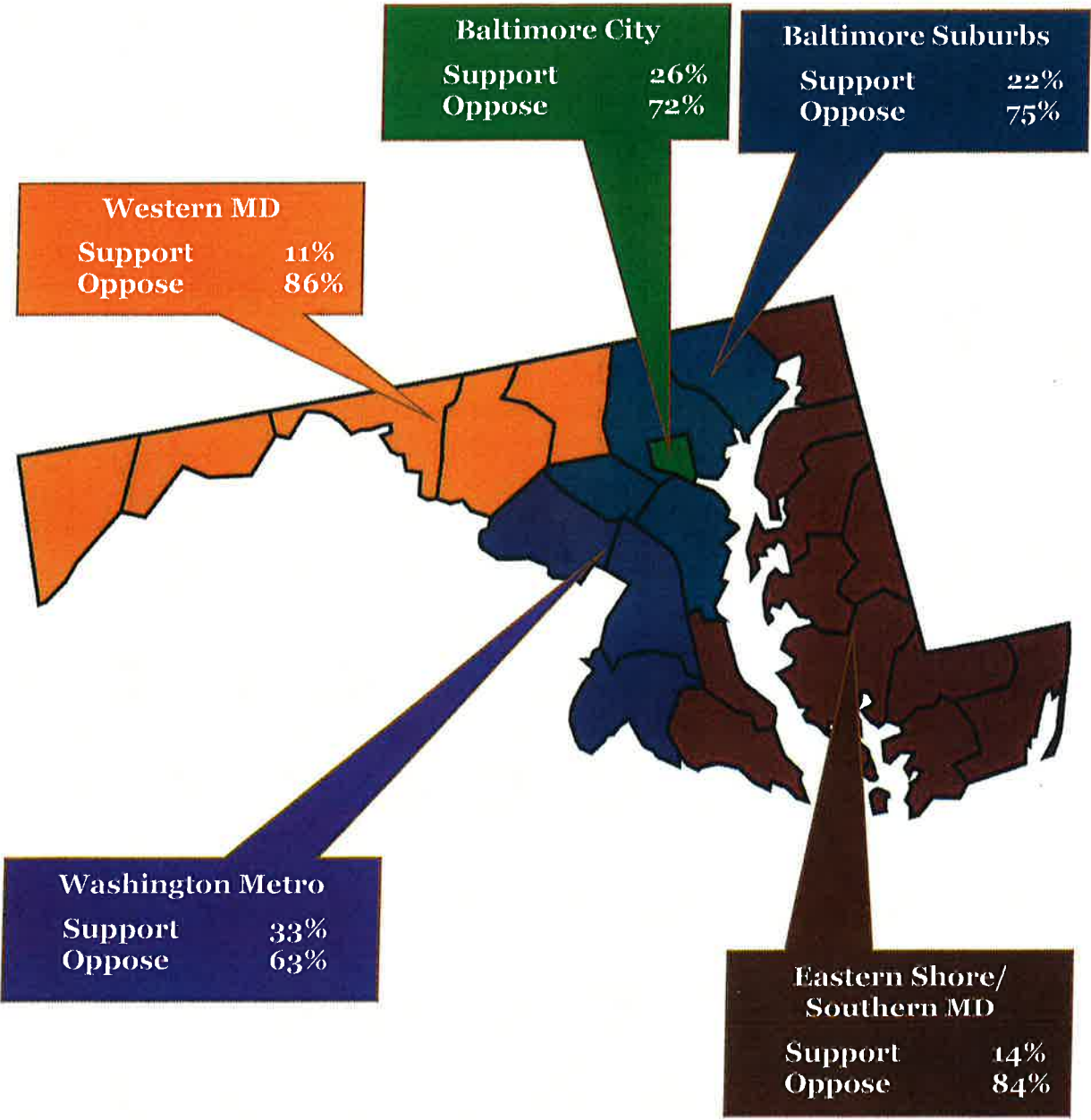
Gas Tax to Fight Climate Change



Opposition to a gas tax to fight climate change is across the board:

Gas Tax to Fight Climate Change	<u>Support</u>	<u>Oppose</u>
Democrat	30%	66%
Republican	9%	90%
Unaffiliated	30%	66%
Men	21%	77%
Women	27%	70%
Under 50	32%	66%
50 and older	18%	79%
White	23%	74%
African-American	28%	70%

Gas Tax In MD To Fight Climate Change



Regulate Sale of Gasoline

Seventy-eight percent of Maryland voters oppose the idea of Maryland being part of a regional group that would have the authority to restrict the sale of gasoline (63% “strongly oppose” and 15% “somewhat oppose”), while only 16% support Maryland being part of a regional group that would have such authority (5% “strongly support” and 11% “somewhat support”), with 6% providing no answer.

Registered independents, at 24%, are most likely to support the idea, but even among this group, 69% oppose it.

Regulate Sale of Gasoline	<u>Support</u>	<u>Oppose</u>
Democrat	21%	71%
Republican	1%	97%
Unaffiliated	24%	69%
Men	13%	81%
Women	18%	75%
Under 50	20%	74%
50 and older	12%	81%
White	14%	80%
African-American	21%	73%

Regional Group – Regulate Sale of Gas

