

New Jersey Advocates' Comments in Support of the Transportation and Climate Initiative

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Submitted by:

ChargEVC

Clean Water Action

Natural Resources Defense Council

New Jersey Clean Cities Coalition

New Jersey Future

New Jersey Sustainable Business Council

Regional Plan Association

Tri-State Transportation Campaign

We applaud your ongoing leadership in the Transportation and Climate Initiative (TCI) toward the development of a transformative, equitable regional clean transportation policy in the Northeast and Mid-Atlantic.

Fossil fuels in the transportation sector are responsible for over 40 percent of energy-related CO₂ emissions in the region, making transportation the largest source of this pollution.¹ Over 80 percent of these emissions result from motor gasoline and diesel fuel use in on-road vehicles,² which are also a leading source of health-damaging particulate matter pollution.³

The Transportation and Climate Initiative is a critical step toward addressing the growth of transportation sector emissions. Thus, the eight undersigned New Jersey-based organizations, as well as our national partners, hereby submit the following comments on the December 17, 2019 "Draft Memorandum of Understanding of the Transportation and Climate Initiative"⁴ (Draft MOU) and "2019 Cap-and-Invest Modeling Results"⁵.

Our response to the Draft MOU below includes feedback on the TCI process, the timeline for implementation, emissions reductions targets, the importance of equity in implementation, and investment strategies.

¹ U.S. Energy Information Administration, *Energy-Related Carbon Dioxide Emissions by State, 2005-2016*, www.eia.gov/environment/emissions/state/analysis/.

² U.S. Energy Information Administration, "How much carbon dioxide is produced from U.S. gasoline and diesel fuel consumption?" (May 15, 2019), www.eia.gov/tools/faqs/faq.php?id=307&t=11.

³ Union of Concerned Scientists, *Inequitable Exposure to Air Pollution from Vehicles in the Northeast and Mid-Atlantic* (2019), www.ucsusa.org/resources/inequitable-exposure-air-pollution-vehicles.

⁴ Transportation and Climate Initiative, Draft Memorandum of Understanding of the Transportation and Climate Initiative (Dec. 17, 2019), https://www.transportationandclimate.org/sites/default/files/FINAL%20TCI_draft-MOU_20191217.pdf.

⁵ Transportation and Climate Initiative, *Webinar: Draft Memorandum of Understanding & 2019 Cap-and-Invest Modeling Results* (Dec. 17, 2019), https://www.transportationandclimate.org/sites/default/files/TCI%20Public%20Webinar%20Slides_20191217.pdf.

As strong supporters of TCI, we look forward to the continued development of the regional clean transportation policy, and we expect Governor Phil Murphy, the New Jersey Department of Environmental Protection (NJDEP), and the New Jersey Department of Transportation (NJDOT) to play leadership roles as the final policy elements are drafted.

The TCI Process

We support a transparent, accountable process and decision-making on TCI. We are glad to see the TCI process involves significant stakeholder feedback, including listening sessions and opportunities for written comment, and we support continued public engagement as the process continues. In particular, we call on TCI states to engage meaningfully with environmental justice communities as well as experts and advocates for clean transportation options in member states. We ask the State of New Jersey to follow the lead of other TCI states in hosting listening sessions led by agency staff at NJDEP and NJDOT for stakeholder communities.

Implementation Timeline

We support the timeline laid out by the TCI jurisdictions, with the aim of commencing the first compliance period of the TCI program by January 1, 2022.⁶ This includes the release of a robust final MOU in spring 2020, with expedient and strong commitments by governors and the mayor of D.C., in order to achieve a regionally coordinated final Model Rule by December 31, 2020.⁷ We call on each member jurisdiction to engage in legislation, rulemaking, executive action, and all other legal requirements to establish TCI expeditiously. We also encourage provisions in the final agreement that enable seamless expansion to additional jurisdictions.

Emissions Reductions Targets

We support a rigorous emissions reduction target, including the most ambitious scenario modeled: a 25 percent reduction in emissions over ten years beginning in 2022. The projected benefits under the 25 percent cap are three to four times higher than those projected under the 20 percent cap and roughly two times higher than the 22 percent cap. We also support TCI states in considering even more ambitious cap reductions in order to meet our climate goals and fund clean transit and transportation.

Equity

We urge the TCI states to continue their emphasis on engagement with frontline communities and to ensure that both the development and implementation of TCI are coordinated by and directly benefit communities of concern. To ensure that these communities see the full benefit of TCI, we strongly urge member jurisdictions to invest in clean transit and transportation in these communities.

Investment Strategies

Transit

Due to a decade of underfunding, NJ Transit has transferred hundreds of millions of dollars annually from its capital budget to its operating budget to cover massive shortfalls--to the tune of over \$400

⁶ Draft MOU, Appendix § 1.D.

⁷ Draft MOU, Appendix § 1.B.

million in Fiscal Year 2020. If we're going to restore NJ Transit to the reliable service riders need, we must find new funding sources to pay for better service and expand transit to new parts of the state.

Transit capital funding for all-electric buses and electrifying rail is already overdue and a vital component to expand the transit systems in our region. Under Senate Bill 2252, NJ Transit has committed to electrifying its bus fleet by 2045, joining 60 other transit agencies that are moving forward with deploying electric buses, including the MTA and CT Transit. NJ Transit needs dedicated operating revenue to support the commitment. NJ Transit must also put forth an implementation plan for EV buses that prioritizes environmental justice communities and front-line communities that suffer disproportionately from the negative health effects of deadly emissions--specifically high asthma rates, especially in children.

Freight

The utilization of rail is the most environmentally sound way to move freight. Trains are four times more fuel efficient than trucks. They also reduce congestion, lower greenhouse gas emissions, and reduce pollution. Incentives and funding must be available to encourage freight railroads to develop and implement greener technologies and operating practices to support greater environmental benefits.

Complete and Green Streets

TCI states must also prioritize funding programs and the development of infrastructure that supports and encourages biking and walking. Complete Streets policies are an effective way to ensure these projects are included in the local and state planning processes. Including micro-mobility options such as bike share and e-scooters is another way to reduce single occupancy vehicle use, especially for the first mile/last mile problem.

Electric Vehicles and Infrastructure

Electric Vehicle infrastructure is currently funded mostly through finite pots of money, such as the Volkswagen settlement. The "It Pay\$ to Plug In" rebate program was recently extended, but funding is limited. Conversion to this new way of powering vehicles means an overhaul not only of power but through land-use changes and trip planning. Electric Vehicles may be incentivized not only through state investment in charging infrastructure but through tax incentives or subsidies to improve adoption rates as is now authorized with the enactment of S.2252 that addresses light duty vehicles. Dedicated incentives will also be required for medium and heavy-duty vehicles.

To support the growing electric vehicle market--which will further clean up New Jersey's air--a sustainable funding source for infrastructure is needed. TC Investment proceeds may be used to fund these rebate programs for the foreseeable future to help New Jersey achieve its climate goals.

Allowance Proceeds

While the states will be largely responsible for determining the use of carbon allowance proceeds, TCI proceeds must be allocated appropriately to further GHG emissions reductions and other clean energy policy goals. All proceeds must have protection mechanisms to avoid misuse of funds and to preclude states from being able to flex dollars to fill other budget shortfalls.

Comments on Complementary Policies

Policies that recognize and focus on the reduction of vehicle miles traveled (VMT) will be most effective to reach the goals of TCI. This includes Complete & Green Streets Policies (see above) and vital planning documents such as Energy Master Plans and Transportation Master Plans which focus on the connection between land use and transportation as ways to eliminate the need for use of single occupancy vehicle and reduce overall VMT. This should be the primary goal of TCI jurisdictions. Benchmarking mechanisms must be in place to hold jurisdictions accountable for implementation. This could include, but not be limited to: linear feet of sidewalk including pervious surface, number of bikeshare and scooter programs, miles of bike lanes and off-road trails, and shade trees planted, among others.

Undersigned Organizations

The below organizations join in applauding the multistate working group's efforts thus far and urge adoption of an ambitious and equitable Transportation and Climate Initiative policy:

ChargEVC is a not-for-profit coalition electric vehicle advocates, including retail automotive dealers, utilities, consumer and equity advocates, environmental and labor organizations and technology companies.

Clean Water Action has more than 150,000 members statewide in New Jersey and is the nation's largest grassroots group focused on water, energy and environmental health. Since our founding during the campaign to pass the landmark Clean Water Act in 1972, Clean Water Action has worked to win strong health and environmental protections by bringing issue expertise, solution-oriented thinking and people power to the table. We will protect clean water in the face of attacks from a polluter friendly Administration and Congress. www.cleanwater.org/nj

The **Natural Resource Defense Council** (NRDC) works to safeguard the earth—its people, its plants and animals, and the natural systems on which all life depends. We combine the power of more than three million members and online activists with the expertise of some 700 scientists, lawyers, and policy advocates across the globe to ensure the rights of all people to the air, the water, and the wild.

The **NJ Clean Cities Coalition** is a NJ Non-profit corporation and an IRS501(c)(3) tax exempt entity dedicated to the advancement of alternative fuels, advanced vehicle technologies and clean energy project development in order to increase domestic energy security, enhance economic development and improve regional air quality.

New Jersey Future is a nonprofit, nonpartisan organization that promotes sensible growth, redevelopment and infrastructure investments to foster vibrant cities and towns, protect natural lands and waterways, enhance transportation choices, provide access to safe, affordable and age-friendly neighborhoods and fuel a strong economy. Embracing differences and advancing fairness is central to New Jersey Future's mission and operations. To effectively advance its mission, New Jersey Future is firmly committed to pursue a culture of greater justice, equity, diversity, and inclusion through its programs, internal operations and external communications.

The **New Jersey Sustainable Business Council** works to advance market and policy solutions for a more vibrant, sustainable and just economy.

The **Regional Plan Association** (RPA) is the nation's oldest independent metropolitan research, planning and advocacy organization.

Tri-State Transportation Campaign (TSTC) is an advocacy organization dedicated to reducing dependency on traditional automobiles by improving the quality of public transit, decreasing greenhouse gas emissions caused by transportation, and advocating for safer, greener, equitable street design in New Jersey, New York, and Connecticut. TSTC advances its mission by developing unique technical, data, and policy analysis that allows us to build trusted relationships with legislators, inform advocates and coalition partners, and advance our message in the media.