



November 5, 2019

Transportation Climate Initiative Regional Policy Design Stakeholder Input

(To be submitted online at: <https://www.transportationandclimate.org/main-menu/tci-regional-policy-design-stakeholder-input-form>)

The Baltimore Office of Sustainability appreciates the opportunity to provide input and feedback on the framework for a draft regional policy proposal prepared by the Transportation Climate Initiative. The City of Baltimore has committed to achieving reductions similar to goals set by the Paris agreement: 25 percent reduction by 2020 and 30 percent by 2025 (relative to 2007). Our most recent inventory showed that emissions have dropped by 15-20 percent, but more work still needs to be done to ensure that all residents are able to breathe cleaner air and face reduced risks of natural disasters. About 30 percent of our city's greenhouse emissions come from the transportation sector.

Our 2019 Sustainability Plan lays out strategies and actions around climate change, transportation, and equity (among other topics), and is the basis for our comments:

Program Design Elements: Equity

- We applaud the emphasis on historic inequities in the development of programmatic outcomes. We recommend that a shared definition of equity be developed and included in the final framework, and that the framework also reflect how equity will also be included in the process moving forward. Will there be shared standards around community engagement and involvement as TCI is implemented and as decisions are made about investment of proceeds.
- The commitment to working *with* low-income communities, communities of color, and communities with limited mobility options (not just soliciting feedback from) should be strengthened.
- Seemingly absent from this framework is any discussion of how to make the impact of the TCI program less regressive, in terms of mitigating the impact on low-income individuals of the upward pressure on gasoline prices.
- Equity concerns are also central to the “additional program design elements” and more discussion of equity in these sections would improve the framework and the eventual program.

Program Design Elements: Regulated Entities

- We would like to see clarification about the definition of a ‘supplier’ – will there be a minimum threshold of gallons sold? Is it expected that a City that dispenses fuel only to its own fleet vehicles would be a regulated entity?
- Will there be any industries or categories of entities that are exempted from regulation? If so, the process for determining these exemptions should be public and transparent and include an analysis of the impacts of these exemptions on the cost of the program.

Flexibility, Allowance Allocation, and Stringency

- We would like to see more information in the framework to address the possibility of leakage, or describing why this is not expected to be a problem.
- A risk that TCI is likely already considering is the potential for black market sales of product obtained in non-participant states. This represents a particular risk for poorer communities, insomuch as black market activities might concentrate in those areas.
- The TCI must also be considering border effects for fuel sales. Wealthier, more mobile individuals are more likely to be able to travel to non-regulated jurisdictions to obtain less expensive product.

Additional Program Design Elements: Investment of Proceeds

- We recommend that investment guidelines be jointly developed by member states. At a minimum, these guidelines should cover the process that each jurisdiction should use to get community input into decisions about how to invest proceeds. A preferred hierarchy or proportion of project types would also be beneficial. For example, should a set percentage of proceeds be used to mitigate or offset the impact on low-income households of any price increases?
- Similarly, a proactive emphasis on complementary policies would be valuable. For example, coordinated policy fora might be established to address complementary policies in the area of land use, infrastructure, etc.