November 5, 2019

**Transportation Climate Initiative**

To Whom It May Concern:

On behalf of the Advanced Energy Economy Institute and its affiliate in New York State, the Alliance for Clean Energy New York, we are writing to express our support for the Framework for a Draft Regional Policy Proposal (<https://www.transportationandclimate.org/sites/default/files/TCI-Framework_10-01-2019.pdf>) that was released on October 1.

Before commenting on individual components of the framework, we would like to underscore the importance, timeliness and wisdom of a multi-state initiative to tackle greenhouse gas emissions from the transport sector. In New York, the recent passage of the Climate Leadership and Community Protection Action demonstrates that New Yorkers are ready for action on climate change, including measures addressing transportation. In contrast to the electricity sector, emissions from transportation are on the rise and are making up a larger and larger percentage of state and regional greenhouse gas emissions. Therefore, it is imperative that states take quick action to cap and gradually reduce these emissions.

Further, just like our states are connected by numerous roads and railways, our policies should be coordinated among states whenever possible, to maximize the beneficial impact and minimize unintended consequences. For this reason, we fully support the initiative for multiple states to work together to align policies.

 Some further points:

* We agree that equity is an important consideration of the Framework for a Draft Regional Policy Proposal. Including this perspective from the outset will lead to a stronger and more sustainable program.
* At the present time, we believe it is correct to have the program apply to wholesale motor vehicle fuels that are delivered for use into a TCI jurisdiction or removed from storage in a TCI jurisdiction. This scope tackles an important emissions sector in a way that is efficient, targeted and defined. It is appropriate to tackle the transportation sector independently. The electricity sector is already covered by RGGI and a suite of complementary policies and the building heating sector, which does need to be addressed more affirmatively, will need a different set of complementary policies than the transportation sector. Further, the alternatives for the transportation sector are commercially available and ready to be phased in over time.

* The emissions reporting, monitoring and verification components of the framework also make sense; it is important to include these design elements early in the process.

* Inclusion of a gradually declining cap is critical to the success of the program. It sends a clear market signal that can stimulate private investment in research, development and deployment, which will lead to lower costs.

* Finally, the reinvestment of proceeds is an absolutely critical component of this framework. Proceeds should be reinvested by states into transit and vehicle electrification. The importance of a long-term and enduring dedicated funding source for these initiatives cannot be overstated. It has been crucial to the success and progress on the electricity side in New York and elsewhere and it needs to be created and maintained for the transportation sector as well.

Thank you for the opportunity to submit these comments in support of the Transportation Climate Initiative Framework for a Draft Regional Policy Proposal. We look forward to TCI continuing to request and reflect public comments as this regional policy evolves.

Respectfully submitted,

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